

MIAMI BEACH

City Commission Meeting SUPPLEMENTAL MATERIAL 3

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive
June 8, 2016

Mayor Philip Levine
Commissioner John Elizabeth Alemán
Commissioner Ricky Arriola
Commissioner Michael Grieco
Commissioner Joy Malakoff
Commissioner Kristen Rosen Gonzalez
Commissioner Micky Steinberg

City Manager Jimmy L. Morales
City Attorney Raul J. Aguila
City Clerk Rafael E. Granado

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ATTENTION ALL LOBBYISTS

Chapter 2, Article VII, Division 3 of the City Code of Miami Beach entitled "Lobbyists" requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the City Clerk's office. Questions regarding the provisions of the Ordinance should be directed to the Office of the City Attorney.

SUPPLEMENTAL AGENDA

R5 - Ordinances

- R5F An Ordinance Amending Chapter 18 Of The City Code, Entitled "Businesses," By Adding Article XVII, Entitled "City Minimum Living Wage," To Provide For Implementation Of A City-Wide Minimum Hourly Wage; And Amending Chapter 102 Of The City Code, Entitled "Taxation," By Amending Section 102-371, Entitled "Application Procedures[.]" By Adding A Subsection Entitled "(j) Compliance With City Minimum Living Wage" And Providing For Repealer, Severability, Codification, And An Effective Date.

10:25 a.m. Second Reading Public Hearing

(Sponsored by Mayor Philip Levine & Co-Sponsored by all the Members of the City Commission)

(Legislative Tracking: Office of the City Attorney)

(First Reading May 11, 2016 - R5P)

(Memorandum, Ordinance & Backup Material)

R7 - Resolution

R7R A Resolution Accepting The Findings And Recommendation Of The City Manager In Certifying An Emergency Pursuant To Subsection 287.055(9)(c)(6)(a)(1), Florida Statutes, All As More Specifically Set Forth In This Resolution And The Accompanying Memorandum; And As Permitted Pursuant To Section 2-367(e) Of The City Code, Waiving, By 5/7 Vote Of The City Commission, The Competitive Bidding Requirement, Finding Such Waiver To Be In The City's Best Interest; Further, Approving And Authorizing The Mayor And City Clerk To Execute Change Order No. 8, In The Amount Of \$2,688,006, To Design-Build Contract (DBC) With Bergeron Land Development, Inc., Dated April 30, 2014 (The Agreement), Related To The Completion Of Roadway Improvements Along West Avenue, Between 6th And 8th Streets, And 10th, 14th, And 17th Streets, West Of Alton Road; Said Change Order No. 8, Providing For An Addition To The Scope Of Work To Include: Contaminated Soil Disposal, Street Lighting Adjustments, Roadway Adjustments, Additional Gravity Walls And Sidewalks, Drainage For Harmonization, Park Driveways, Landscaping, Re-Writing Lighting Specifications, Painting Of Fly-Over, And Associated Permitting.

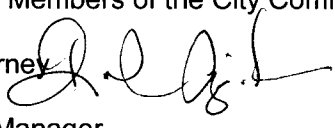
(Public Works)

(Revised Memorandum & Resolution)

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139,
www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission
FROM: Raul J. Aguila, City Attorney 
CC: Jimmy L. Morales, City Manager
DATE: June 6, 2016

SECOND READING PUBLIC HEARING

SUBJECT: **AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 18 OF THE CITY CODE, ENTITLED "BUSINESSES[.]" BY ADDING ARTICLE XVII, ENTITLED "CITY MINIMUM LIVING WAGE[.]" TO PROVIDE FOR IMPLEMENTATION OF A CITY-WIDE MINIMUM HOURLY WAGE; AND AMENDING CHAPTER 102 OF THE CITY CODE, ENTITLED "TAXATION[.]" BY AMENDING SECTION 102-371, ENTITLED "APPLICATION PROCEDURES[.]" BY ADDING A SUBSECTION ENTITLED "(J) COMPLIANCE WITH CITY MINIMUM LIVING WAGE" AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.**

RECOMMENDATION

The proposed Ordinance was approved by the City Commission at First Reading on May 11, 2016 and referred to the Finance and Citywide Projects Committee for public hearing, fact finding, and debate. At a specially set meeting on June 3, 2016, members of the Committee heard expert testimony, testimony from the public and City staff, and considered supporting documents entered into the legislative record. At the conclusion of that hearing, the members of the Committee made findings, unanimously approved the Ordinance, and returned it to the full commission for Second Reading. The transcript of that proceeding as well as written material entered into the legislative record are attached here. Staff recommends that the City Commission approve the Ordinance at Second Reading on June 8, 2016.¹

¹ Between First and Second Reading, the City Attorney's Office recommended minor changes to the Ordinance, which are incorporated into the proposed Ordinance for Second Reading. These include changes to a few words regarding construction of the Ordinance, and minor changes to the effective date

SUMMARY OF THE PROPOSED ORDINANCE

This Ordinance, raising the minimum living wage in the City of Miami Beach, has been proposed and sponsored by Mayor Philip Levine. The proposed legislation would gradually raise, over a period of four years, the minimum living wage for all workers employed in the City and covered by the federal minimum wage.

The current minimum wage is currently \$8.05 per hour, as mandated by the State of Florida's Minimum Wage Act. The Ordinance would raise this rate to \$13.31 per hour by 2020, the rate currently mandated for employees of City contractors pursuant to the City's Living Wage Ordinance (as codified in Miami Beach City Code §2-408). The City's minimum living wage would be set at \$10.31 per hour beginning in 2017, with one dollar an hour increases every year until the rate of \$13.31 was reached on June 30, 2020. Thereafter, the City Commission could annually, at its discretion and by Resolution, consider whether an increase in an amount equal to the Consumer Price Index for the year should be required. Enforcement would be provided by private right of action to a court of competent jurisdiction and of the Ordinance administrative penalties by the City Manager.

ANALYSIS

The United States Congress enacted the Federal Fair Labor Standards Act, 29 U.S.C. §201 ("FLSA"), in 1938. Under the FLSA, the federal minimum wage was set at \$0.25 an hour, and has since then increased steadily over time. Since 2009, the federal minimum wage has been \$7.25.²

While the U.S. economy saw steady growth and an improvement in the jobless rate since 2009, wages have been flat or falling for much of the labor force. Currently across the country, there exists an ongoing campaign to raise the federal minimum wage above the current \$7.25 level. A January 2015 poll by Hart Research Associates found that 75% of Americans (including 92% of Democrats, 73% of Independents, and 53% of Republicans) supported a federal minimum wage increase to \$12.50 by 2020. Considering that a February 2013 poll by the Pew Research Center found that 71% of Americans supported a minimum wage increase, popularity is only surging for such changes.

The federal and state government has not, however, acted. The U.S. Conference of Mayors' "Cities of Opportunity Task Force," in August 2014, endorsed higher city minimum

of the Ordinance and dates for incremental increases in the minimum wage from June of each year to January of each year from 2018–2021.

² Generally, the FLSA covers employers engaged in "interstate commerce" and have annual revenues of over \$500,000.

wages as key tools for fighting income inequality at the local level. Over the past year, an unprecedented number of cities and counties have moved to adopt higher local minimum wages. In addition, cities are proposing substantially higher wage levels than the federal or state minimum wages (see Table 1).

The Cost of Living in the City of Miami Beach

A recent study based off the 50-30-20 budgeting rule (50% of income for necessities; 30% discretionary; 20% saved) calculated a cost-of-living comparison on a national scale across the 75 most populous U.S. cities, including Miami. In researching living expenses that include rent, groceries, utilities, transportation, and healthcare, they found the yearly salary needed to “live comfortably” in Miami to be about \$77,000, the sixth most in the country.

The results also showed Miami’s median income of just under \$31,000 is about \$46,000 short of that number, representing “the biggest gap between actual and ideal incomes of any major city in this study.”³

Massachusetts Institute of Technology (“MIT”) recently released research estimating the cost of living and hourly wage necessary to support a minimal lifestyle in Miami-Dade County. That study sets a minimum of \$11.45 per hour in order for a single person to survive here in 2016. If family and children are added, the hourly wage necessary jumps to between \$18 and \$25 per hour. The Florida minimum wage is currently \$8.05 per hour, \$16,744 per year, if working 40 hours a week for 52 weeks (2,080 total hours). The graph below summarizes the MIT findings. The Research Institute on Social and Economic Policy at Florida International University recently theorized based upon available data that the cost of living in the City of Miami Beach is likely much higher.

Miami-Dade County Annual and Hourly Cost of Living Estimates by Household

Composition: 2016 (in 2014 dollars)

Adults	No Children		1 Child		2 Children		3 Children	
	Annual	Living Wage	Annual	Living Wage	Annual	Living Wage	Annual	Living Wage
1 Adult	\$23,820	\$11.45	\$50,114	\$24.09	\$58,584	\$28.17	\$74,117	\$35.63
2 Adults	\$38,426	\$18.47	\$47,224	\$22.70	\$52,417	\$25.20	\$59,388	\$28.55

Source: Massachusetts Institute of Technology (MIT) Living Wage Calculator. 2016. Living Wage Calculation for Miami-Dade County, FL <http://livingwage.mit.edu/counties/12086>

³ <http://miami.curbed.com/2016/4/20/11463074/miami-salary-live-comfortably>

The Distinct Role of Local Minimum Wages

Local minimum wages offer several distinct advantages that differentiate these policies from state or federal minimum wage laws:

- They allow higher-cost cities to set minimum wage rates that better correspond to higher local living costs;
- They allow localities in states where the legislature is slow to raise the minimum wage to address the problem on their own;
- They provide venues for demonstrating the feasibility of substantially higher minimum wages, and pursuing key reforms such as annual inflation indexing and higher tipped- minimum wages, which are less commonly adopted at the state level.

The Economic Evidence Shows that City Minimum Wages Boost Earnings Without Reducing Employment

Economic evidence indicates that the higher city minimum wages enacted in U.S. cities to date have boosted earnings without slowing job growth or causing business relocations. These findings are consistent with the bulk of modern research on higher state minimum wages, which has generally found no statistically significant evidence of job losses resulting from minimum wage increases passed over the last 20 years in the United States.

This is partly because the bulk of the low-wage positions affected by city minimum wages are in fields such as restaurants, retail, building services, home health care, and child care jobs that serve city-based customers such as residents, office workers, and tourists at city locations. As a result, most cannot practically be moved by their employers to locations outside of the city while still retaining their customer bases.

Table 2 summarizes the most rigorous research examining the employment impact of minimum wage increases at the local level. The studies below pay particular attention to the experience of minimum wage increases in Santa Fe and San Francisco, which have had local minimum wages in place for over a decade now and offer the most complete picture of how businesses in low-wage sectors have adjusted to higher wage floors.

In both San Jose and San Francisco, for example, jobs in the restaurant industry grew faster after the minimum wage was increased than they did in surrounding cities and counties that did not raise wages. In SeaTac, Washington—the first city in the United States to fully transition to a \$15 minimum wage for workers in the hospitality and travel industries—predicted layoffs and expansion-plan cancellations did not materialize, and in fact some business owners, who were previously opposed to the wage increase, have expanded operations. And in Seattle, which began phasing-in its \$15 minimum wage in April 2015, initial signs are positive. The

Seattle region's unemployment rate hit an eight-year low of 3.6 percent in August 2015, significantly lower than the state unemployment rate of 5.3 percent. And King County, where Seattle is located, is well on its way to breaking last year's record for the number of business permits issued to food service establishments.

This is how the media has reported on city minimum wage increases in San Jose, SeaTac, and Seattle:

"Interviews with San Jose workers, businesses, and industry officials show it has improved the lives of affected employees while imposing minimal costs on employers."

- *USA Today, "In San Jose, Higher Minimum Wage Pays Benefits" (June 14, 2014)*

"Fast-food hiring in the region accelerated once the higher wage was in place. By early this year, the pace of employment gains in the San Jose area beat the improvement in the entire state of California."

- *Wall Street Journal, "What Happened to Fast-Food Workers When San Jose Raised the Minimum Wage? Hold the Layoffs" (April 9, 2014)*

"Those who opposed the \$15 wage in SeaTac and Seattle admit there has been no calamity so far."

- *Washington Post, "No Calamity Yet as SeaTac, WA, Adjusts to \$15 Minimum Wage" (September 5, 2014)*

"For all the political uproar it caused, SeaTac's closely watched experiment with a \$15 minimum wage has not created a large chain reaction of lost jobs and higher prices..."

- *Seattle Times, "\$15 Wage Floor Slowly Takes Hold in SeaTac" (June 13, 2014)*

"When Seattle's pioneering \$15 minimum wage law was the subject of fierce debate last year, Tom Douglas predicted it would inflict a \$5 million hit on his empire of more than a dozen restaurants ... Yet six months after the first wage increase to \$11 per hour took effect, the fear of soaring payrolls shows no signs of killing the appetite of Douglas — or the rest of the Seattle restaurant world — for rapid expansion. Dozens of new restaurants have opened in the city since April 1, including many new eateries run by the law's fiercest critics, such as Douglas." -

- *Puget Sound Business Journal, "Apocalypse Not: \$15 and the Cuts that Never Came" (October 23, 2015)*

FLORIDA INCOME REGULATIONS

Prior to the establishment of the Florida Minimum Wage Act (see below), local municipalities in Florida enacted "Living Wage Ordinances." These laws set a local minimum wage for certain categories of employment at a rate higher than the one required under FLSA. Miami-Dade County unanimously passed its Living Wage Ordinance in 1999. The City of Miami Beach followed in 2001, becoming the first city in the State of Florida to have its own Living Wage Ordinance.⁴ It applies to City contractors. The City of Miami Beach's statutory living wage is currently set at \$11.62 per hour for jobs with health benefits, and \$13.31 for those without health benefits. Miami Beach City Code §2-408(a)

In 2003, the Florida legislature passed, and Governor Jeb Bush signed, the "Minimum wage requirements by political subdivisions; restrictions" law, Fla. Stat. § 218.077. That Statute prohibited municipalities from adopting local ordinances establishing a local minimum wage higher than the federal minimum wage, which was at that time (\$5.15). Specifically, it read, in pertinent part:

(2) ... a political subdivision may not establish, mandate, or otherwise require an employer to pay a minimum wage, other than a federal minimum wage, to apply a federal minimum wage to wages exempt from a federal minimum wage.

The Statute did leave municipalities with the power to maintain Living Wage Ordinances, but only those that applied to city vendors and contractors.

In immediate response, in 2004, 71.25% of Florida voters approved a Constitutional Amendment (now codified as Article X, Section 24 of the Florida Constitution), establishing a higher statewide minimum wage of \$6.15 and indexed it to the Consumer Price Index. Florida's Amendment has a policy statement, which explicitly provides:

(a) PUBLIC POLICY All working Floridians are entitled to be paid a minimum wage that is sufficient to provide a decent and healthy life for them and their families, that protects their employers from unfair low-wage competition, and does not force them to rely on taxpayer-funded public services in order to avoid economic hardship.⁵

The constitutional amendment specifically provides that municipalities may establish local minimum wages higher than those set by the state. Specifically, the amendment read:

(f) . . . This amendment provides for payment of a minimum wage and shall not be construed to preempt or otherwise limit the authority of the state legislature or any other public body to adopt or enforce any other law, regulation, requirement, policy or standard that provides for payment of higher or supplemental wages or

⁴ Other counties in Florida with Living Wage Ordinances include: Broward County (October 8, 2002) and Palm Beach County (February 25, 2003); cities include Orlando (August 25, 2003).

⁵ Article X, Section 24, Fla. Constitution, subsection (a).

benefits, or that extends such protections to employers or employees not covered by this amendment.⁶

In 2013, the Florida state legislature passed, and Governor Rick Scott signed, an amendment to Fla. Stat. § 218.077, which ignores the constitutional amendment language and broadened the State's preemption of minimum wage law to include preemption of local regulation of benefits as well as wages. The statute currently reads:

(2) ... a political subdivision may not establish, mandate, or otherwise require an employer to pay a minimum wage, other than a state or federal minimum wage, to apply a state or federal minimum wage to wages exempt from a state or federal minimum wage, or to provide employment benefits not otherwise required by state or federal law.

It is our opinion that the 2004 Minimum Wage Constitutional Amendment reserved the authority of local governments to establish higher minimum wages than that set by federal or state law. Thus, Florida's statutory preemption of a local minimum wage, as set forth in both the 2003 and 2013 versions of Fla. Stat. §218.077, is unconstitutional because it violates that Amendment by taking power reserved to the municipalities and preempts it to the state. Therefore, we believe that an Ordinance by the Mayor and Commission of the City of Miami Beach, which sets a minimum wage higher than that set by the state or federal government, would be valid and would be upheld in court.

FINANCIAL IMPACT

In accordance with Charter section 5.02, which requires that the "City of Miami Beach shall consider the long-term economic impact (at least 5 years) of proposed legislative actions," this shall confirm that the City Administration evaluated the long-term economic impact (at least 5 years) of this proposed legislative action, and determined that there will be no measureable impact on the City's budget.

CONCLUSION

The proposed Ordinance comes at the right time. Miami Beach's cost of living is expensive and getting worse. Hotel room rates have risen to some of the highest in the country, leading to record profits. But wages have not reflected these realities.

Cities around the country are setting fair wages for workers in their cities that allow employees to meet their basic human needs. Studies have shown that these higher living minimum wages have benefited everyone: employment rates remained steady, turnover was

⁶ *Id.* at subsection (f).

reduced, and employees were happier.

The slow and gradual increase over four years in the wages paid to the City's lowest paid workers proposed here is prudent, fair, and lawful.

RJA/rfr

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MINIMUM WAGE MEMO (SECOND READING)(2).docx

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 18 OF THE CITY CODE, ENTITLED "BUSINESSES," BY ADDING ARTICLE XVII, ENTITLED "CITY MINIMUM LIVING WAGE," TO PROVIDE FOR IMPLEMENTATION OF A CITY-WIDE MINIMUM HOURLY WAGE; AND AMENDING CHAPTER 102 OF THE CITY CODE, ENTITLED "TAXATION," BY AMENDING SECTION 102-371, ENTITLED "APPLICATION PROCEDURES[,]" BY ADDING A SUBSECTION ENTITLED "(J) COMPLIANCE WITH CITY MINIMUM LIVING WAGE" AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, promoting the welfare of those who work within the City of Miami Beach is one of the principle objectives of its municipal government; and

WHEREAS, the federal minimum wage is \$7.25 per hour, effective at that level since July 24, 2009 and, after years of inaction by the United States Congress, it is time for cities and states to lift families out of poverty and stimulate the economy by raising the minimum wage; and

WHEREAS, a January 2015 poll by Hart Research Associates found that 75% of Americans (including 92% of Democrats, 73% of Independents, and 53% of Republicans) supported a federal minimum wage increase to \$12.50 by 2020, which surpassed a February 2013 poll by the Pew Research Center finding that 71% of Americans supported a minimum wage increase; and

WHEREAS, the Florida Constitution was amended in 2004, with the support of 71.25% of the popular vote, to establish a minimum wage in Florida higher than that required by federal law; and

WHEREAS, that Amendment to the Florida Constitution explicitly stated as its public policy that "[a]ll working Floridians are entitled to be paid a minimum wage that is sufficient to provide a decent and healthy life for them and their families, that protects their employers from unfair low-wage competition, and does not force them to rely on taxpayer-funded public services in order to avoid economic hardship"; and

WHEREAS, that Amendment to the Florida Constitution explicitly stated that it "shall not be construed to preempt or otherwise limit the authority of the state legislature or any other public body to adopt or enforce any other law, regulation, requirement, policy or standard that provides for payment of higher or supplemental wages or benefits"; and

WHEREAS, the poverty wage threshold for single adults providing only for themselves is \$5.00 per hour (or \$10,400 per annum assuming 2,080 hours worked per year); and

WHEREAS, poverty thresholds do not account for living costs beyond a very basic food budget; the federal poverty measure does not take into consideration costs like child care and health care that not only draw from one's income, but also are determining factors in one's ability to work and to endure the potential hardships associated with balancing employment and

other aspects of everyday life; and, further, poverty thresholds do not account for geographic variation in the cost of essential household expenses; and

WHEREAS, the newer “Living Wage” model, an alternative measure of basic needs to the poverty threshold, is a market-based approach that draws upon geographically specific expenditure data related to a family’s likely minimum food, child care, health insurance, housing, transportation, and other basic necessities (e.g. clothing, personal care items, etc.) costs; and

WHEREAS, the model draws on these cost elements and the rough effects of income and payroll taxes to determine the minimum employment earnings necessary to meet a family’s basic needs while also maintaining self-sufficiency; and

WHEREAS, the living wage in the State of Florida for single adults providing only for themselves is \$10.94 per hour (or \$22,755 per annum before taxes assuming 2,080 hours worked); and

WHEREAS, the living wage in Miami-Dade County for single adults providing only for themselves is \$11.45 per hour (or \$23,816 per annum before taxes assuming 2,080 hours worked); and

WHEREAS, the living wage for the cities of Miami-Fort Lauderdale-Pompano Beach, Florida for single adults providing only for themselves is \$11.49 per hour (or \$23,899 per annum before taxes assuming 2,080 hours worked); and

WHEREAS, the minimum hourly wage in the State of Florida is \$8.05, which is modified annually based upon inflation and a cost of living formula; and

WHEREAS, the minimum hourly wage in the State of Florida was last increased on January 1, 2015, but was not increased on January 1, 2016; and

WHEREAS, the City of Miami Beach is a longstanding municipal leader in ensuring the utmost protection of the civil rights of its diverse and cosmopolitan population; and

WHEREAS, other culturally and economically diverse destination cities and counties with large tourism industries — including San Francisco, Seattle, Chicago, Los Angeles, New York, and the District of Columbia — have seen it fit to significantly increase their own minimum wages to better serve their working class residents; and

WHEREAS, the weight of research on previous minimum wage increases shows that raising the minimum wage has little or no adverse impact on employment and prices; to the contrary, according to the Economic Policy Institute, raising the minimum wage will help the economy at large, because workers’ increased spending power will increase our nation’s gross domestic product by about \$33 billion and create approximately 140,000 jobs; and

WHEREAS, the City of Miami Beach is a vibrant multicultural community with significant tourism, service, and hospitality industries that must be founded upon the fair and equal treatment of the workforce; and

WHEREAS, the Mayor and Commission of the City of Miami Beach wish to ensure that each person working within the City limits is paid a minimum living hourly wage.

NOW, THEREFORE, BE IT DULY ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AS FOLLOWS:

SECTION 1. ENACTMENT

That the Code of the City of Miami Beach be amended to add Sections 18-920, 18-921, 18-922, 18-923, and 18-924, and that section 102-371 be amended as follows:

CODE OF THE CITY OF MIAMI BEACH, FLORIDA

CHAPTER 18 – BUSINESSES

...

ARTICLE XVII. CITY MINIMUM LIVING WAGE

Sec. 18-920. Definitions.

For purposes of this Section, the following definitions apply:

The terms “Employer,” “Employee,” “Tipped Employee,” and “Wage” shall have the meanings established under the federal Fair Labor Standards Act (“FLSA”), including its implementing regulations.

“Fair Labor Standards Act” or “FLSA” means the United States Fair Labor Standards Act of 1938, 29 U.S.C. § 201 et seq., in force on the effective date of this chapter and as thereafter amended.

“State Minimum Wage Laws” means the Florida Minimum Wage Act, Fla. Stat. 448.01 et seq., in force on the effective date of this chapter and as thereafter amended, together with applicable provisions of the Florida Constitution, Fla. Const. art. X, § 24.

Sec. 18-921. Minimum Hourly Living Wage.

Every Employer shall pay no less than the following Wages to each Employee for each hour of work performed for that Employer while physically present within the geographic boundaries of the City:

- (a) Beginning on ~~June 30, 2017~~ January 1, 2018, the greater of: (1) the minimum hourly Wage set by the State Minimum Wage Laws; (2) the minimum hourly Wage set by Fair Labor Standards Act; or (3) \$10.31 per hour.
- (b) Beginning on ~~June 30, 2018~~ January 1, 2019, the greater of: (1) the minimum hourly Wage set by the State Minimum Wage Laws; (2) the minimum hourly Wage set by the Fair Labor Standards Act; or (3) \$11.31 per hour.
- (c) Beginning on ~~June 30, 2019~~ January 1, 2020, the greater of: (1) the minimum hourly Wage set by the State Minimum Wage Laws, (2) the minimum hourly Wage set by the Fair Labor Standards Act; or (3) \$12.31 per hour.
- (d) Beginning on ~~June 30, 2020~~ January 1, 2021, the greater of: (1) the minimum hourly Wage set by the State Minimum Wage Laws, (2) the minimum hourly Wage set by the Fair Labor Standards Act; or (3) \$13.31 per hour.

Indexing. Beginning on ~~June 30, 2024~~ January 1, 2022, and every year thereafter, the minimum wage rate may, by resolution of the city commission, be indexed annually for inflation using the Miami PMSA Consumer Price Index for all Urban Consumers (CPI-U) Miami/Ft. Lauderdale, issued by the U.S. Department of Labor's Bureau of Labor Statistics. Notwithstanding the preceding, no annual index shall exceed three percent. The city commission may also, by resolution, elect not to index the minimum wage rate in any particular year, if it determines it would not be fiscally sound to implement same (in a particular year). The determination to index (or not index) the living wage rate shall be considered annually during the city commission's review and approval of the city's annual operating budget.

In the event that the city commission has determined, in any particular fiscal year (or years), to not index the living wage rate, and thereafter determines that making up all or any part of the prior year's (or years') unindexed percentage would not have an adverse fiscal impact upon the city, then the city commission shall also have the right, but not the obligation, to cumulatively index the living wage rate to "make-up" for any deficiencies in the prior year (or years) where there was (were) no increase(s) (the "catch up" election). The "catch-up" election must be approved by resolution.

For Tipped Employees meeting eligibility requirements for the tip credit under the FLSA, Employers may credit towards satisfaction of the Minimum Wage in Subsections (a)–(e) tips up to the amount of the allowable FLSA tip credit.

Sec. 18-922 Retaliation Prohibited.

It shall be unlawful for an Employer or any other party to discriminate in any manner or take adverse action against any person in retaliation for exercising rights protected under this ordinance. Rights protected under this ordinance include, but are not limited to, the right to file a complaint or inform any person about any party's alleged noncompliance with this ordinance, and the right to inform any person of his or her potential rights under this ordinance and to assist him or her in asserting such rights.

Sec. 18-923 Enforcement.

Persons aggrieved by a violation of this ordinance may bring a civil action in a court of competent jurisdiction against an Employer or person violating this ordinance and, upon prevailing, shall recover the full amount of any back wages unlawfully withheld plus, ~~in the case of willful violations~~ the same amount as liquidated damages, and shall be awarded reasonable attorney's fees and costs. In addition, they shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation including, without limitation, reinstatement in employment and/or injunctive relief. Actions to enforce this ordinance shall be subject to a statute of limitations of two years or, in the case of willful violations, three years.

Sec. 18-924. Construction.

It is intended that case law, administrative interpretations, and other guiding standards developed under the federal FLSA shall guide the construction of this Ordinance or any implementing regulations.

Sec. 18-925. ~~Sec. 18-923.~~ Required Affidavit of Compliance.

In order to apply for, renew, or receive a transferred business tax receipt pursuant to City Code Sec. 102, each business shall submit with their initial or renewal application an affidavit attesting to compliance by that business with the provisions promulgated under Section 18-921 of this Article. No business shall receive a business tax receipt unless the City receives such an affidavit.

Sec. 18-926. ~~Sec. 18-924.~~ License Denial, Revocation, or Suspension for Certain Offenses.

The City Manager, for good and sufficient cause, may deny an application for any permit or license issued under this Code if, during the 5-year period prior to the date of the application, the applicant has admitted guilt or liability or has been found guilty or liable in any judicial or administrative proceeding of committing or attempting to commit a willful violation, or two or more violations which do not include a willful violation, of the provisions promulgated under this Article or under the State Minimum Wage Laws or the federal Fair Labor Standards Act.

...

CHAPTER 102 - TAXATION

...

ARTICLE V - LOCAL BUSINESS TAX

...

Sec. 102-371. - Application procedures.

...

(i) *Compliance with City Minimum Living Wage.* No license shall be issued or granted to any person to engage in any business named, identified, or encompassed by this article unless that person or business' application includes an affidavit, legally binding upon the person or business, attesting to that person or business' compliance with the City Minimum Living Wage Ordinance, Chapter 18, Article XVII.

SECTION 2. REPEALER.

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3. SEVERABILITY.

If any section, sentence, or phrase of this ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Chapter, Article, or Division of the Miami Beach City Code.

SECTION 4. CODIFICATION.

It is the intention of the Mayor and City Commission of the City of Miami Beach, and it is hereby ordained that the provisions of this Ordinance shall be added to the Code of the City of Miami Beach, Florida. If applicable, the sections of this Ordinance may be renumbered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriated word.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect ~~the 1st day of June, 2017~~ ten days after its passage and adoption.

PASSED and ADOPTED this _____ day of _____, 2016.

ATTEST:

Rafael E. Granado, City Clerk

Philip Levine, Mayor

(Sponsored—Co-Sponsored by Mayor Philip Levine, Vice Mayor Mickey Steinberg, Commissioner John Elizabeth Aleman, Commissioner Ricky Arriola, Commissioner Kristen Rosen Gonzalez, Commissioner Michael Grieco, and Commissioner Joy Malakoff.)

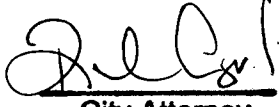
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& FOR EXECUTION**

 6/7/16
City Attorney Date

IN RE: FINANCE AND
CITYWIDE PROJECTS COMMITTEE

Miami Beach City Hall
1700 Convention Center Drive
Miami Beach, Florida 33139
Friday, June 3, 2016

COMMITTEE MEETING ON
CITY MINIMUM LIVING WAGE

1 **APPEARANCES :**

2 **RICKY ARRIOLA, COMMISSIONER**

3 **JOY MALAKOFF, COMMISSIONER**

4 **ELIZABETH ALEMAN, COMMISSIONER**

5 **DONALD PAPY, CITY ATTORNEY**

6 **ALLISON WILLIAMS, CFO**

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1 Thereupon --

2 COMMISSIONER ARRIOLA: We have a
3 really interesting topic today. This is a
4 topic of minimum wage here in our city, and
5 I know we have a lot of opinions on this
6 matter, and we're going to have a really
7 interesting discussion today. There's a
8 few things, housekeeping, that need to take
9 place.

10 This is a particular type of meeting
11 where we're going to ask that folks that
12 coming up to speak get sworn in, and our
13 court reporter here will swear you in.
14 We're going to hear, first, from some folks
15 from FIU, an economists, and a
16 representative from the National Employment
17 Law Practice come in, and then we'd love to
18 hear from members of the public on how they
19 feel about this topic of potentially
20 raising the minimum wage here in Miami
21 Beach.

22 I know we have folks from the
23 chamber of commerce, some union
24 representatives, members at large of the
25 public, so we want to try to get -- and the

1 hotel association, so we want to get as
2 many folks to speak as possible.

3 We're going to let the folks from
4 FIU as well as the National Employment Law
5 Practice speak on their expertise in this
6 matter to advise my fellow commissioners on
7 this, and then, obviously, we'd love to
8 hear from folks from the chamber, and the
9 hotel association, the union, and anybody
10 else who wants to speak on this matter.
11 Okay? We okay?

12 MR. ROSENWALD: Yes.

13 COMMISSIONER ARRIOLA: How do you
14 want to do the swearing in, one-by-one?

15 MR. ROSENWALD: We can do it just
16 everybody altogether.

17 COMMISSIONER ARRIOLA: Everybody?
18 Okay.

19 MR. ROSENWALD: Everybody who
20 intends to speak today, please stand up,
21 and the court reporter will swear you in.

22 (Thereupon, the audience was sworn.)

23 MR. ROSENWALD: If I can just give
24 some instructions. This is a legislative
25 fact-finding hearing, so you have been

1 sworn. When you come up, introduce
2 yourselves, say your name, spell it for the
3 court reporter. If he can't hear you,
4 he may stop you and tell you to speak more
5 slowly or more clearly, and please do so
6 if he asks.

7 Also don't -- while we expect
8 discussion, please don't speak over each
9 other, because our court reporter is trying
10 to take everything down. So with that
11 I will first invite Laura Huizar who is a
12 staff attorney with the National Employment
13 Law Project to come up and give testimony
14 to the committee. Thank you.

15 COMMISSIONER ARRIOLA: Good
16 afternoon.

17 MS. HUIZAR: Good afternoon. Thank
18 you. Can you hear me okay? Is that okay?
19 Perfect. Good. My name is Laura,
20 L-A-U-R-A, Huizar, H-U-I-Z-A-R, and I'm a
21 staff attorney with the National Employment
22 Law Project or NELP. I actually grow up in
23 Florida, in Orlando, so it's great to be
24 back here.

25 We're a national nonprofit advocacy

1 organization. We're based in New York City
2 but have offices around the country, and
3 I'm based in our D.C. office. Our staff
4 are recognized as policy experts on a
5 number of employment policy issues,
6 including the minimum wage, and in 2004
7 NELP was the lead drafter of the 2004
8 constitutional amendment here in Florida
9 which created the first statewide minimum
10 wage.

11 Paul Song, who is my colleague, was
12 the lead drafter, and intended as part of
13 that constitutional amendment to give
14 cities like the City of Miami Beach the
15 right to enact local minimum wage that
16 exceeds the state minimum wage.

17 So the 2004 amendment was really a
18 response to the 2003 law that was passed in
19 the state which had tried to prohibit doing
20 that kind of -- or passing that kind of
21 legislation. So we're very excited to be
22 here to support Mayor Philip Levine's
23 proposal to raise the City of Miami Beach's
24 minimum wage to \$13.31 by 2020.

25 So I'll speak a little bit about the

1 national context for this type of
2 legislation, some of the things we've
3 learned from other cities that have so far
4 enacted similar proposals, and some of the
5 economic research that we've seen that
6 really backs up or supports this kind of
7 measure, and then I'm happy to answer any
8 questions you might have.

9 So yes, we're here in support of the
10 mayor's proposal. As you probably know,
11 cities around the country have been passing
12 minimum wage legislation in growing numbers
13 in recent years. This has been really a
14 response to declining wages that we've seen
15 all over the country.

16 Just between 2009 and 2014 we saw
17 that the real median wage for workers
18 across the country declined by 4 percent,
19 and the decline was even steeper for
20 low-wage workers. So we've seen the value
21 of wages go down at the same time as income
22 inequality has increased and at the same
23 time that the federal government, the
24 federal minimum wage has stagnated at 7.25
25 an hour.

1 In 2003 only two cities, San
2 Francisco and Santa Fe, had a minimum wage
3 that was higher than the state. By 2013 --
4 between 2013 and 2014, that number had
5 increased to about 20 cities, and today
6 about 38 cities have enacted their own
7 higher minimum wage legislation.

8 And currently, you'll see that more
9 and more cities and states are moving
10 towards higher numbers than we've seen
11 before in terms of wage rates, and so we're
12 seeing more places go to 15 an hour.

13 California and New York just recently
14 adopted legislation that statewide will
15 establish \$15 an hour as the minimum wage.

16 Cities that have done the same are
17 Los Angeles in California, San Francisco,
18 Seattle, and SeaTac, Washington. In 2014
19 Chicago adopted their own \$13 minimum wage
20 legislation which is being phased in by
21 2019. The state of Oregon recently passed
22 its own legislation which will increase the
23 state's minimum wage to 12.50, 13.50, or
24 14.75 by 2020 depending on the region of
25 the state.

1 Since November of 2012 when the
2 vast -- the "Fight For 15 Movement"
3 started, we've seen about -- about 17
4 million workers throughout the country earn
5 wage increases through state increases,
6 local increases, companies that are moving
7 their wages up, and executive orders at the
8 city, state, and other government levels.

9 We're also seeing about 10 million
10 workers seeing their wages go up to about
11 15 an hour through those types of recent
12 policy changes. And this is not surprising
13 to us given the type of support that we see
14 around the country for this type of
15 increase.

16 Recent polling data tells us that
17 approximately 2 out of 3 individuals
18 support \$15 as the minimum wage, and
19 support amongst low-wage workers, meaning
20 workers earning at or below 15, is even
21 higher. We also know that low-wage workers
22 are more likely to vote for a candidate if
23 that candidate supports both 15 and a
24 union.

25 We're seeing also, of course, that

1 low-wage workers -- I'm sorry, that
2 low-wage workers support this type of
3 proposal at about 75 percent compared to
4 that two-thirds for workers in general.
5 And we know that increasing the minimum
6 wage here in Miami Beach would
7 significantly impact the lives of low-wage
8 workers here.

9 The city of Miami Beach has one of
10 the highest costs of living in the state of
11 Florida and also in the country. We know
12 that one single worker working full-time in
13 the city of Miami Beach would have to earn
14 about \$15 an hour just to make ends meet,
15 and a working with one child working
16 full-time would need about \$25 an hour to
17 make ends meet.

18 We also know that the most rigorous
19 modern economic research tells us that one
20 can increase the minimum wage without a
21 negligible -- or without an adverse effect
22 on employment levels.

23 The most sophisticated study that
24 we often cite to is one that was done in
25 2010 or published in 2010, and looked at

1 250 pairs of neighboring counties across
2 the United States, and it looks like those
3 counties to see if a higher wage level in
4 one of those counties would have a negative
5 effect on employment in that county, and
6 this is considered one of the most
7 effective ways to isolate the impact of
8 raising the minimum wage.

9 In that study looking at those 250
10 pairs of counties found no significant
11 difference in employment level or in the
12 state's competitiveness, meaning the state
13 with the higher minimum wage.

14 Another meta study looked at 64
15 other studies of the minimum wage, and it
16 similarly concluded that there was close to
17 no impact on employment for having the
18 higher minimum wage.

19 At the city level, we've also
20 started to see studies come out showing
21 that the same findings apply. In San
22 Francisco, for example, there was a study
23 in 2014, it looked at basically the impact
24 of raising the cost of employment for
25 employers in San Francisco by about 80

1 percent above the federal minimum wage, and
2 it concluded that there was no adverse
3 impact on employment, and it actually found
4 that looking at just food service jobs in
5 San Francisco, there was a 17 percent
6 increase in jobs in that sector compared to
7 the surrounding counties.

8 The same thing was found in Santa Fe
9 in a 2006 study that looked at the impact
10 of that minimum wage by comparing it to
11 Albuquerque, and it found that employment
12 levels in Santa Fe had not suffered
13 compared to Albuquerque's, and that it was
14 actually doing better, employment was
15 actually doing better in Santa Fe.

16 The same thing was found in a study
17 looking at Washington D.C., Santa Fe, and
18 San Francisco, comparing those cities to
19 their surrounding suburbs and other cities.

20 So the list goes on, and the written
21 testimony that I've submitted today will go
22 into those studies in more detail, and
23 it will list other studies that may be
24 helpful to you.

25 But we're also seeing, through the

1 experience of cities like Seattle, SeaTec,
2 and San Francisco, that you can increase
3 wage levels up to \$15 an hour and still see
4 the same kind of findings. We're seeing
5 very positive benefits in San Francisco and
6 Seattle, for example. The restaurant
7 industry in both of those cities are
8 booming.

9 To the extent that we have data, for
10 example, on the number of licenses issued
11 to food service and beverage businesses, in
12 Seattle we saw a 15 percent increase since
13 the \$15 minimum wage started to go into
14 effect.

15 COMMISSIONER ARRIOLA: Can you
16 repeat that.

17 MS. HUIZAR: In Seattle we looked at
18 the number of licenses that were issued to
19 food and beverage businesses from the start
20 of the implementation of that \$15 wage, so
21 that was March 2014 to the present, and
22 we saw a 6 percent increase in the number
23 of those licenses issued.

24 A number of newspapers have reported
25 the same thing, the Seattle Times, the

1 Puget Sound Business Journal, the
2 Washington Post, all of these newspapers
3 and journalists have gone to those cities
4 and have confirmed that in fact the
5 restaurant industry is bombing and all of
6 the predictions that we heard from the
7 business industry about, you know, how this
8 was going to lead to a decline in business
9 and businesses were going to have to close
10 simply hasn't come to pass.

11 COMMISSIONER ARRIOLA: Would you
12 happen to know -- pardon the interruption.
13 Would you happen to know what the
14 unemployment rate has been since the
15 implementation of the new minimum wage?

16 MS. HUIZAR: My written testimony
17 has details on that for Seattle. We know
18 that after Seattle's minimum wage
19 legislation went into effect, the
20 unemployment levels in Seattle were lowered
21 than in the state, and I don't want to
22 maybe give the wrong numbers, but there was
23 a slight --

24 COMMISSIONER ARRIOLA: A lower.

25 MS. HUIZAR: -- yeah, decrease in

1 Seattle. The Golden Gate Restaurant
2 Association in San Francisco, which is one
3 of the leading restaurant groups there,
4 recently issued a statement on their
5 website stating that the industry is
6 strong, tipping in restaurants continues to
7 be strong, and that the industry is doing
8 just fine with the kind of legislation that
9 has been successful in San Francisco.

10 And we also know, apart from these
11 studies, that the impact for low-wage
12 workers themselves and their families could
13 be truly significant. There's studies, for
14 example, one from the National Institutes
15 of Health, which found that an increase of
16 \$4,000 per year in income can lead to
17 approximately one extra year of education
18 by age 21.

19 We also know from a study of
20 California that a minimum wage of \$13 there
21 by 2017 can have significant benefits for
22 chronic diseases and disabilities, could
23 lead to less hunger, smoking, and obesity
24 in that state.

25 Now, of course, we're happy -- we're

1 happy to provide more research, more policy
2 analysis here in Miami Beach to support the
3 efforts of the mayor, and I'd like to take
4 this opportunity, again, to thank you for
5 inviting me to testify, and I'm happy to
6 answer any other questions.

7 COMMISSIONER MALAKOFF: I have one
8 question.

9 MS. HUIZAR: Sure.

10 COMMISSIONER MALAKOFF: Could you
11 please discuss in San Francisco or Seattle
12 the effect on the hospitality as far as the
13 hotel industry in those cities.

14 MS. HUIZAR: Correct, I don't
15 know -- at this point I don't have data on
16 the hospitality industry specifically.
17 I think some of our data will capture
18 restaurant servers who work within the
19 hospitality industry and outside of that,
20 and we've seen, as I mentioned, that the
21 restaurant industry itself is doing very
22 well, and the articles -- all the articles
23 we've seen in San Francisco have reported
24 that all of the dire predictions simply
25 haven't come to pass.

1 And I think one -- one good example
2 of -- or good evidence of the positive
3 impact in San Francisco is that the city
4 first enacted its first increase in 2003,
5 gradually increased, and in 2014 the \$15
6 proposal was presented to voters, and that
7 was unanimously -- not you unanimously, I'm
8 sorry, but with a great level of support
9 passed in San Francisco.

10 So the city has been experimenting
11 with higher wages for over a decade, and
12 legislators and residents have approved
13 even further increases.

14 COMMISSIONER MALAKOFF: Thank you.

15 COMMISSIONER ALEMAN: I have a
16 question. In any of that research, have
17 you seeing anything around the impact on
18 small businesses, perhaps an impact in the
19 number of operating licenses or requests
20 for new operating licenses by small
21 businesses so we can understand if there's
22 any, you know, more severe impact depending
23 upon the size?

24 MS. HUIZAR: Correct, that's not
25 something we've seen. I think the Seattle

1 numbers that I cited for licenses for food
2 service and beverage businesses is a good
3 example. Those in Seattle, the numbers
4 were over 3,000, so we know a lot of those
5 businesses are small businesses. We don't
6 have over 3,000 large chains operating in
7 Seattle, so that we think is good evidence
8 that it can benefit small business.

9 Recently the Washington Post leaked
10 a survey that was conducted by a council of
11 state chambers of commerce, and that survey
12 reported, based on their own members, that
13 80 percent of businesses supported
14 increasing the minimum wage, and only 8
15 percent opposed it.

16 And so what we're seeing is that
17 even amongst business owners, members of
18 these chambers of commerce and the small
19 businesses that we talk to very often
20 support higher wages for their workers.
21 And in places like New York where more
22 significant and detailed studies have been
23 done, they have found that in some ways
24 there is an effective leveling the playing
25 field when you pass a higher minimum wage,

1 because a lot of small businesses are
2 already trying to pay higher wages, and a
3 lot of the larger retailers, chain
4 businesses are in some ways pushing wages
5 down.

6 So we've been trying to find more
7 data on that. It's sometimes hard at the
8 local level, but we have seen that there is
9 kind of levelling of the playing field
10 effect with some of this legislation.

11 Yes.

12 COMMISSIONER ALEMAN: Where was
13 the -- where was the chamber of commerce
14 study done?

15 MS. HUIZAR: So it was leaked to the
16 Washington Post.

17 COMMISSIONER MALAKOFF: Okay.

18 MS. HUIZAR: It was done by a very
19 prominent pollster, I'm not sure who it was
20 leaked by, but it was -- created quite the
21 stir.

22 COMMISSIONER MALAKOFF: Thank you.

23 MS. HUIZAR: Uh-huh.

24 COMMISSIONER ARRIOLA: What other
25 data do you have that you want to share

1 with us that you think is pertinent? And
2 I've done a lot of research in the past
3 couple of weeks on this, and so I
4 definitely have a lot of questions, but
5 other data pro or con to this that you want
6 to share with us?

7 MS. HUIZAR: Sure, I think my written
8 testimony will have a lot more detail.
9 Seeing as hospitality might be a particular
10 concern here in Miami or Miami Beach,
11 we recently released a report in D.C.
12 looking at the effect of 15 in D.C.,
13 particularly on tipped workers in that
14 city, and we looked at some of the National
15 Restaurant Association's own data, and
16 they, you know, project employment growth
17 levels and sales growth levels across the
18 country for each state, and what we found
19 there is that even in some of their
20 higher-wage states, so California,
21 Washington State, for example, both have
22 minimum wage rates around \$10 right now,
23 those states have high employment growth
24 projections.

25 They also have sales projections

1 that are higher than the average for the
2 country. And so we're seeing that that
3 industry and by the industry's own data,
4 it's quite possible to be successful and to
5 have strong growth even with higher wages.

6 COMMISSIONER ARRIOLA: Yeah, I mean,
7 I've got all kinds of data on different
8 studies, and maybe I'll just wait to share
9 those, and I don't know what the economist
10 is going to share, but some interesting
11 findings that were surprising to me.

12 MS. HUIZAR: Uh-huh, great. Any
13 other questions? No, okay. Well, thank
14 you so much for allowing me to testify.

15 MR. ROSENWALD: Commissioners, now
16 you'll hear from Cynthia Hernandez, who was
17 until recently the lead researcher at FIU's
18 RISEP Research wing, and she can explain
19 her role and her findings to you now.

20 MS. HUIZAR: Hi. Good afternoon.
21 I have a quick presentation I want to share
22 with folks, but let me just get it up here.

23 COMMISSIONER ALEMAN: And could you
24 spell your name for the record.

25 MS. HERNANDEZ: Sure. It's

1 C-Y-N-T-H-I-A, Hernandez,
2 H-E-R-N-A-N-D-E-Z. Hopefully, it should be
3 coming up. There you go. So my name is
4 Cynthia Hernandez. I was a researcher at
5 FIU at the Research Institute on Social and
6 Economic Policy for ten years until
7 recently moving to the South Florida
8 AFL-CIO where I'm the head research there
9 as well.

10 So today I'm here to talk about why
11 this initiative is important, not just for
12 Miami Beach residents, but also for
13 Miami-Dade County residents as well. So in
14 2006 -- or 2016 Miami was ranked No. 8 in
15 income inequality nationwide. A Brookings
16 report basically found that based on the
17 2014 census data, and it also showed that
18 Florida -- I'm sorry, that the wealthiest 5
19 percent of people in Miami-Dade were making
20 basically 10.2 times more than the poorest
21 20 percent on average.

22 Sorry, I think my slides are a
23 little out of order here.

24 COMMISSIONER ARRIOLA: Okay.

25 MS. HERNANDEZ: Yeah, okay. So let

1 me go back to the beginning. So as Laura
2 stated, the minimum wage here in Florida
3 was passed in 2004. It actually wasn't
4 enacted until 2005. The majority --
5 overwhelming percentage of Florida
6 residence voted and approved for the wage
7 amendment to be passed, and it stated the
8 hourly wage at that time was only 16.15 per
9 hour.

10 It also required a direct obligation
11 of \$3.13 for tipped employees. Since 2005
12 or 11 years later, we've actually only seen
13 the raise -- the raise of the minimum wage
14 raised by \$1.90. So that's less than \$2 in
15 the 11 years that it has been enacted.
16 We can certainly, I think, all attest that
17 our cost of living has certainly increased
18 by more than \$2.

19 So this graph basically shows, and
20 I'm not sure if it's very clear on your
21 screen, but it basically shows the growing
22 inequality that not only exists here in
23 Miami-Dade County, but really throughout
24 Florida as a whole.

25 So if you see the darker green at

1 the top, it's basically the U.S. mean
2 wages, followed by the Florida mean wages,
3 and the third line there is the U.S. median
4 wages compared to the Florida mean wages.
5 Basically, it shows that Florida's wages
6 continue to be below average nationwide.

7 And what inequality, I would say,
8 that hurts minorities more than anyone
9 else. As you can see here on this graph,
10 just look at the left -- I'm sorry, the top
11 two right columns here where it says
12 "white/black disparity." If you look all
13 the way at the bottom, in 2014 there's a
14 growing inequality between white and black
15 at \$9,000 -- over \$9,000, where Hispanics
16 are over 6,000 as well. So the people that
17 are hurt most are primarily minorities,
18 African-American and Latinos.

19 COMMISSIONER ARRIOLA: Can you leave
20 that there.

21 MS. HERNANDEZ: Sure, and this is
22 based on census data.

23 COMMISSIONER ARRIOLA: Thanks.

24 MS. HERNANDEZ: All right. So this
25 is where I started. So a recent study by

1 GO Banking Rates conducted a cost of living
2 comparison of the 75 most populous cities
3 in the U.S., surveying dollar amounts of
4 living expenses which included rent,
5 groceries, utilities, transportation, and
6 health care.

7 The study also compared the total of
8 income needed to be -- the actual median
9 household income in each city to see if the
10 differences in cost of living are matched
11 by differences in pay. The results are
12 clear, you know, showing that Miami's
13 median income of just under 31,000 is about
14 \$46,000 short of that number representing
15 the biggest gap between the actual income
16 or the ideal income of any major city in
17 this study.

18 So for minimum wage workers,
19 that's 16,000 - you know, minimum wage
20 workers are only earning 16,744. That's
21 before taxes are even taken out, which
22 clearly falls short over \$60,000 of that
23 ideal minimum wage.

24 COMMISSIONER ALEMAN: May I ask you
25 a question about the 77,000. Is that a

1 county average comfortable living, or is
2 that the peek, or is that Miami Beach?
3 What is that number?

4 MS. HERNANDEZ: That's the Miami
5 metropolitan statistical area, so that's
6 taking into consideration everything from,
7 you know, groceries, transportation,
8 healthcare.

9 COMMISSIONER ALEMAN: Countywide.

10 MS. HERNANDEZ: County-wide, which
11 is one of the highest as well.

12 COMMISSIONER ALEMAN: So conceivably
13 in Miami Beach it could be more.

14 MS. HERNANDEZ: It could be even
15 higher, correct. So this table here shows
16 the annual cost of living estimates by
17 household comparison. So for an adult
18 without children, the annual cost is
19 23,820. For an adult with a child it's
20 50,000. So this is just the median wages.
21 So in Miami Beach we can see that 22
22 percent is -- this is higher than the
23 Florida wage -- I'm sorry, the Florida
24 average. It's actually 24 percent higher
25 than the national average, and the cost

1 alone in Miami Beach is 65 percent higher
2 than the national average. That's a huge
3 significant difference.

4 So it's fair to say that not all of
5 Miami employees currently live in Miami
6 Beach, and that's why I think this
7 initiative is going to have ripple effects
8 all over our county. So when we look at
9 the cost of living for Miami-Dade County,
10 the monthly rent alone is for a 900 square
11 foot apartment is just a little less than
12 \$1,500. For a 480 square foot studio, it's
13 just a little over \$1,000.

14 Again, you know, I put this number
15 of 16,744, because this is the annual
16 average salary that a current minimum-wage
17 worker earns before taxes. So if we take
18 that into consideration, that's means that
19 75 percent of a minimum-wage worker has to
20 pay 75 percent of that in housing costs
21 alone if they live in Miami-Dade. That's
22 why we see many minimum-wage workers that
23 are having to work two or three jobs at
24 most.

25 So a Brookings report in 2016 found

1 that Miami's metropolitan statistical area
2 ranked No. 8 in income inequality
3 nationwide. The wealthiest 5 percent of
4 people are making 10.2 times more than the
5 poorest, 20 percent on average. The gap is
6 even wider in the South Florida area where
7 the richest sector earns 15 times more than
8 the most impoverished.

9 And I put this -- you know, I'm
10 putting these statistics up, because it's
11 important to note that the majority of our
12 growing businesses here in South Florida
13 and growing jobs are minimum wage jobs.
14 This creates a larger income inequality
15 across, you know, not just the state but
16 certainly within our Miami-Dade County and
17 Miami Beach area.

18 So what does this mean globally?
19 Globally, it means that Miami's income
20 inequality is higher than that of Buenos
21 Aires, Argentina, and Rio De Janeiro in
22 Brazil, and it mirrors Mexico City. So
23 we've not just become a gateway to Latin
24 America, we have become Latin America.

25 According to a Bloomberg analysis,

1 Miami is the toughest city for low-wage
2 workers to increase upward social mobility.
3 So what is "social mobility"? It's
4 basically, it allows workers to move up the
5 ladder.

6 Historically, rates for women in
7 Florida have been higher than those of men
8 than the overall poverty rate for the
9 entire population, and I'll say that
10 between 1980 and 2014 median annual wage
11 inequality grew from 6,552 to just under
12 10,000, which is a gap increase of 42
13 percent between white and African-American
14 workers. During the same time, the
15 white/Hispanic median annual wage disparity
16 grew by 43 percent, so almost double.

17 Minorities experience higher levels
18 of poverty when compared to the white
19 population. African-Americans experience
20 the highest poverty rates, which have been
21 above 20 percent historically. The
22 Hispanic Latino population experienced
23 lower levels of poverty, nevertheless,
24 still in the double digits, and this is all
25 data coming from the State of Working

1 Florida Report, which is produced annually
2 by The Research Institute.

3 So on average the four largest
4 paying industries -- lowest paying
5 industries in Florida were retail trade,
6 agricultural, forestry, fishing, and
7 hunting, leisure and hospitality and food
8 services. These industries offer many
9 opportunities to enter or reenter the labor
10 market and have possibilities for career
11 advancement at the management level.

12 In 2014 there were 3.2 million or 22
13 percent of the labor force working in these
14 industries in Florida. It's important to
15 note that these industries comprise a
16 significant percentage of Florida's growing
17 economy, I should add, and yet historically
18 these are the lowest paying industries in
19 Florida and pay below \$30,000 a year.

20 The largest growing sector of jobs
21 in Florida are within the hospitality and
22 tourism, which are compromised primarily
23 here in Miami Beach. Yet the Florida
24 general sales tax is 18 percent higher than
25 the national average.

1 Florida State income tax is,
2 we know, one hundred percent lower than the
3 national average, and the Florida Retail
4 Federation year after year boost on their
5 earnings year after year, yet they continue
6 to fight us -- fight wage theft --
7 anti-wage theft ordinances or fight against
8 increasing the minimum wage.

9 So in closing, you know, minimum
10 wage, what we've seen, and, you know, to
11 reiterate some of Laura's points, job
12 losses for raising minimum wage are
13 negligible. Minimum wage has already been
14 raised 23 times with no detriment to the
15 economy.

16 A 2014 survey found that more than 3
17 out of 5 small business owners support
18 increasing the minimum wage to 10.10 an
19 hour. The real value of the minimum wage
20 has fallen dramatically, and since the
21 minimum wage was last raised 2009
22 nationally, the price of apples went up 16
23 percent, bacon 67 percent, cheese 21
24 percent, coffee 27 percent, beef 39
25 percent, and milk 21 percent.

1 Low minimum wage laws are government
2 subsidies to low-wage businesses, period.
3 Worker productivity has gotten much faster
4 than wages using the 1968 minimum wage as a
5 benchmark. If minimum wage grew at the
6 same rate as worker productivity, it would
7 have reached 21.72 per hour. Raising the
8 minimum wage to \$10 would impact over 15
9 million workers, 4,700,000 working mother's
10 would get a raise.

11 There's widespread bipartisan
12 support for raising the minimum wage. In a
13 2015 poll, 75 percent Americans including
14 53 percent of republicans support raising
15 the minimum wage to 12.50 by 2020. And
16 last but not least it would certainly
17 increase consumer purchasing power for those
18 low-wage workers who are not able to save,
19 and, therefore, their money gets circulated
20 back into the economy and also reduces
21 employee turn over. So in conclusion --
22 sure.

23 COMMISSIONER ALEMAN: Before you
24 leave that site, the first bullet, how are
25 you measuring worker productivity there.

1 MS. HERNANDEZ: So it's basically
2 looking at what corporations have made, the
3 earnings, GDP, and looking at -- comparing
4 it to wages.

5 So in conclusion, a minimum wage
6 earner, again, earns only 16,744 a year
7 working 40 hours a week, 52 weeks of the
8 year, not including taxes. So that's
9 16,744. We try to think about how we would
10 ever make ends meet living in Miami on that
11 salary, and it's impossible.

12 So if raised to 13.13 per hour, then
13 the annual salary would increase to 27,684,
14 and that basically -- my last point here is
15 that even raising it to 13.31 by 2020 is
16 not enough. Our workers deserve better,
17 our residents deserve better, and our
18 economy will grow when our earners earn
19 what they make. Thank you.

20 COMMISSIONER ARRIOLA: How do -- do
21 you know how we index the step-ups that are
22 contemplated in this resolution from the 10
23 to the 13?

24 MS. HERNANDEZ: I'm sorry?

25 COMMISSIONER ARRIOLA: The step-ups,

1 is that indexed for particular inflation?
2 I just want to make sure we get the record
3 straight of how these numbers were
4 established.

5 MR. ROSENWALD: Hi. Rob Rosenwald,
6 city attorney's office. When the mayor
7 proposed this ordinance, the way he arrived
8 at the numbers were to match the number at
9 the end of the ramp-up period in 2020 to
10 our current living wage ordinance price
11 that we pay to our contractors and
12 employees, and so we got to 13.31 by 2020,
13 and then simply incremented by a dollar an
14 hour starting in 2018 in order to reach the
15 13.31 by 2020.

16 COMMISSIONER ARRIOLA: All right.
17 So we're more or less trying to level the
18 playing field of what the city is paying as
19 a living wage and what we're requiring our
20 vendors who do business with the city to
21 even the playing field with any other
22 employer in town.

23 MR. ROSENWALD: That's correct, and
24 we put a lot of thought and a lot of study
25 into what the living wage should be at the

1 time when we adopted it and when we index
2 it, and so it's not a number that's
3 arbitrarily chosen, and you're right,
4 leveling the playing field after we've seen
5 how well our living wage ordinance worked
6 was really the goal.

7 COMMISSIONER ARRIOLA: I'm not sure
8 if you're prepared to expand on the comment
9 that was in your slide, that low-wage
10 minimum wages is a subsidy to business.
11 Can you expand on that?

12 MS. HERNANDEZ: Sure. So when
13 we have business owners that are not paying
14 a fair living wage, whether that's some of
15 them are paying below the minimum wage,
16 which we see a lot all over this county,
17 because we don't have a state Department of
18 the Labor to enforce our labor laws. So
19 when we see these companies or employers
20 paying less than a living wage, I should
21 say, basically, we see that most of those
22 folks -- you know, for example, minimum
23 wage earning just slightly above \$17,000 an
24 hour, they are more likely to need
25 government assistance, and, therefore,

1 corporations or business entities,
2 employers who are not paying a minimum wage
3 are perpetuating this dependency on
4 government assistance.

5 COMMISSIONER ARRIOLA: Yeah, that's
6 one of the things that dawned on me when
7 I was reading the research, which is, you
8 know, to some extent businesses that pay
9 minimum wage or low wages, they in essence
10 get a free ride or are getting the benefit
11 of a government subsidy that they don't
12 have to absorb in their own cost structure.

13 Because whether it's food stamp or
14 other public subsidies to help provide for
15 folks who aren't living -- or making a
16 living wage, that's a cost that isn't borne
17 directly by that small business, the rest
18 of society absorbs it, but that business
19 isn't necessarily paying that.

20 MS. HERNANDEZ: Correct, and even
21 through our own research, we have found
22 that business owners encouraging their
23 employees to apply for government
24 subsidies.

25 COMMISSIONER ARRIOLA: Do you have

1 statistics on what the effect of raising
2 the minimum wage will have on poverty?

3 MS. HERNANDEZ: Locally or across
4 the country?

5 COMMISSIONER ARRIOLA: Nationally.

6 MS. HERNANDEZ: Nationally there are
7 plenty of statistics, and I'm sure Laura
8 probably --

9 COMMISSIONER ARRIOLA: I mean,
10 I have it if you don't, but I'd like to
11 have someone else --

12 MS. HERNANDEZ: Yes, so there are
13 statistics that show that nationally.

14 COMMISSIONER ARRIOLA: From what I
15 read in multiple studies, a ten percent
16 increase in the minimum wage reduces
17 poverty by one percent. One percent is
18 2.2 million Americans.

19 MS. HERNANDEZ: Significant.

20 COMMISSIONER MALAKOFF: I have a
21 question. I have one question. You talked
22 about the disparity effecting primarily
23 African-American and Hispanic workers. Do
24 you also have a breakout of women workers?

25 MS. HERNANDEZ: I do, yes.

1 Unfortunately, I did not include it in this
2 presentation, but I'd be more than happy to
3 share with you how it significantly effects
4 women workers.

5 COMMISSIONER MALAKOFF: I figured
6 it did.

7 MS. HERNANDEZ: And single mothers,
8 I should add, as well.

9 COMMISSIONER MALAKOFF: Yes. Do you
10 know the percent?

11 MS. HERNANDEZ: I actually don't
12 have the percent. I have it here, I can
13 look it up and get back to you.

14 COMMISSIONER MALAKOFF: Okay. Okay.
15 Later, yeah.

16 COMMISSIONER ARRIOLA: If you look
17 it up, you can come back.

18 MS. HERNANDEZ: Sure, I'm more than
19 happy to do that.

20 COMMISSIONER ARRIOLA: What's
21 interesting about that is there's a
22 disproportionate effect on African-American
23 and Hispanics and women on low minimum
24 wages, but raising the minimum wage
25 actually has a disproportionate benefit

1 percentwise, because there's more white
2 workers, so more of the benefit percentwise
3 goes to white workers.

4 That's just an interesting
5 statistic. It will help a lot of people,
6 though.

7 MS. HERNANDEZ: Sure, and I think
8 it really depend on the industry, right?
9 So depending on what industry.

10 COMMISSIONER ARRIOLA: And the
11 location.

12 MS. HERNANDEZ: That's correct.

13 COMMISSIONER ALEMAN: A question
14 about do you have any numbers -- I'm
15 thinking about the 77,000 and single
16 working parents. Do you have any numbers
17 on the cost of daycare, childcare for a
18 working parent that has to put their child
19 into some sort of daycare or other sort of
20 care facility during the day while they
21 work or at night whenever they're working
22 and what those costs are compared to the
23 wages that they're earning?

24 MS. HERNANDEZ: That's actually a
25 really great question. I actually don't

1 have the exact figures, but I do know that
2 Miami-Dade County recently released a
3 report showing how there's a growing cost
4 to childcare, and how disproportionately,
5 you know, women and single-parent
6 households cannot afford to basically make
7 ends meet simply because of the childcare,
8 and I believe that there are some childcare
9 workers here, so maybe they can better
10 answer that specific question.

11 COMMISSIONER ARRIOLA: Do you have
12 any data on the effect of the increase of
13 the minimum wage on businesses or other
14 organizations? In particular what I've
15 seen is in cases where minimum wage was
16 increased, not really much noticeable
17 effect -- negative effect on businesses,
18 and part of that is because that extra
19 money that's being created gets spent on
20 those local businesses.

21 MS. HERNANDEZ: That's correct.

22 COMMISSIONER ARRIOLA: Do you have
23 any data to help expand on that?

24 MS. HERNANDEZ: I do have data, and
25 I'm happy to share it.

1 COMMISSIONER ARRIOLA: Okay. You
2 can come back.

3 MS. HERNANDEZ: You know, what I've
4 said is it reduces employee turnover rates
5 which reduces labor costs.

6 COMMISSIONER ARRIOLA: You know, one
7 of the things about minimum wage is, as you
8 said, it forces people to work two or three
9 jobs, so to the extent that they can get a
10 living wage and maybe spend more time with
11 families, which is a net positive, and
12 maybe not have to take the second and third
13 job, increases opportunities for folks that
14 are unemployed.

15 MS. HERNANDEZ: Absolutely.

16 COMMISSIONER ARRIOLA: Any data on
17 that?

18 MS. HERNANDEZ: That I don't
19 believe -- not off the top of my files, but
20 I'm sure we can look for that and share
21 it with Rob. Thank you.

22 COMMISSIONER ARRIOLA: Rob, do
23 we have anybody else?

24 MR. ROSENWALD: That's the end of
25 our expert testimony. I know there are

1 several groups here who would like to
2 speak, so I'd just turn it over to you to
3 conduct the testimony in the order you
4 prefer.

5 COMMISSIONER ARRIOLA: Okay. Great.
6 I think we'll keep it, I mean, unless you
7 have objections, the way we typically do
8 it, sort of someone who is in favor of
9 raising the minimum wage and folks who have
10 a different opinion, we'll kind of go
11 one-by-one. You know, you can each kind of
12 step to -- you know, one side will say this
13 is for maybe not going forward with the
14 minimum wage increase and folks that want
15 to support the minimum wage increase, and
16 we'll give each other three minutes and
17 if we have more time at the end, we'll use
18 it.

19 Frank, you're welcome to go first.
20 You rased your hand. Frank, are you in
21 favor?

22 MR. DELVECCIO: In favor.

23 COMMISSIONER ARRIOLA: Okay?

24 MR. DELVECCIO: Frank Delveccio, 301
25 Ocean Drive, a retired attorney.

1 COMMISSIONER ARRIOLA: Pardon me,
2 Frank. Could someone keep time. Let's do
3 this for three minute.

4 MR. DELVECCIO: I'm going to need
5 less.

6 COMMISSIONER ARRIOLA: The reason
7 is, folks, the president is visiting Miami
8 Beach, which is wonderful. Traffic is
9 going to get busy around four, and I want
10 to try to get us out of here before then,
11 so keep that in mind.

12 MR. DELVECCIO: Good public policy,
13 a good direction. You're authorized to do
14 this under the state constitution and good
15 legal analysis. Let me just make a couple
16 of recommendations.

17 COMMISSIONER ARRIOLA: Keep talking.
18 Is somebody keeping the time?

19 MR. DELVECCIO: No, I'll stop
20 talking. It's too distracting when you
21 keep --

22 COMMISSIONER ARRIOLA: You can have
23 as much time as you need, I just want to
24 make sure someone's keeping track. Go
25 ahead, Frank.

1 MR. DELVECCIO: Okay. I suggest,
2 too, what I think should be clarifications
3 and improvements to the text of the
4 ordinance you should have before you. The
5 real teeth of this ordinance is that an
6 entity, a business, corporation that is
7 doing business or an individual that is
8 doing business in the City of Miami Beach
9 can be denied a business tax receipt by the
10 City and must provide an affidavit, perhaps
11 in the application, that he or she or the
12 entity will comply with the City's minimum
13 living wage ordinance. That's the teeth of
14 it.

15 So I think as currently written, and
16 I passed out a little suggested language,
17 but as currently written, I'll read briefly
18 from the text of 18 -- Section 18.921.
19 "Every employer shall pay no less than the
20 following wages to each employee entitled
21 to receive the federal minimum wage for
22 each hour of work performed for that
23 employer while physically present within
24 the geographic boundaries of the city."

25 This could mean that a UPS driver or

1 a driver of some vehicle in interstate
2 commerce could be held -- the company could
3 be held accountable for the duration of the
4 time that employer is delivering or passing
5 through the city. So I don't think you
6 want that.

7 I think you want it to read that
8 every employer who is subject to the
9 business tax receipt requirement of
10 Article 5 of Chapter 2 Miami Beach City
11 Code shall comply with all these
12 requirements.

13 And the second point is you've got a
14 couple of sections that deal with
15 enforceability, and this is the teeth of
16 your ordinance, Section 18.925 and Section
17 102.371(i). Currently, it's worded in the
18 passive voice that there should be
19 compliance with. I think you should
20 substitute that the application for a
21 business tax receipt should include an
22 obligation to comply. And that's basically
23 it. The applicant for a city business tax
24 receipt shall certify on the application
25 form that the applicant will comply with

1 the City's minimum living wage ordinance.

2 I think that was the intention.

3 You've got a lot of legal loose ends if you
4 don't change that language, because you
5 purport to give a civil right of action to
6 an agreed person or employee recourse to
7 the court which would apply to a UPS driver
8 passing through and making a few
9 deliveries. So I think limited to the
10 City's -- compliance with the City's
11 business tax receipt, that is the trigger
12 that brings the business within the
13 parameter of this very good ordinance.
14 Thank you.

15 COMMISSIONER ARRIOLA: Thank you,
16 Frank, and thanks for doing the analysis
17 for us. I don't know, were you going to
18 comment? I'll ask that very question that
19 Frank asked towards the end of our city
20 attorney's, who I know are considering this
21 very issue.

22 Next?

23 MS. KALLERGIS: Good evening. Wendy
24 Kallergis, W-E-N-D-Y, K-A-L-L-E-R-G-I-S,
25 president and CEO of The Greater Miami

1 Beaches Hotel Association.

2 First of all, I would like to open
3 by telling you that we're not opposing an
4 increase, what we're challenged with is the
5 speed of the timeline. So I wanted to read
6 to you our statement that we made at the
7 commission meeting.

8 The GMBHA supports policies and
9 regulations that ensure is a fair and
10 equitable working environment for both
11 employees and employers. Wage increases
12 proposed at the federal, state, or local
13 level must not be too high or fast for the
14 industry to absorb.

15 The GMBHA views increases that are
16 too high or fast as hurting the hotel
17 industry and its ability to create jobs and
18 grow the economy. Increases that are too
19 high and fast negatively effect the jobs of
20 the people that they are purported to help.

21 Our governmental affairs consultant,
22 AI Advisory Group, prepared a survey for
23 Miami Beach hotels since our last
24 commission meeting, and we wanted to
25 provide to you an overview of the results

1 of the survey. We received responses from
2 43 hotels on Miami Beach comprising of
3 boutique hotels, chain hotels, luxury, and
4 limited service.

5 By an almost 3 to 1 margin, Miami
6 Beach hotels expect the proposed wage
7 increase to have a negative effect on the
8 hospitality industry. Approximately
9 two-thirds of our hotels will be disrupted
10 because the proposed minimum wage increases
11 are too large and too high to absorb.

12 A significant percentage feel new
13 wage levels, \$10.31 and \$13.31 are going to
14 have serious consequences. Our hotels
15 reported that they will be forced to reduce
16 employee head count, benefits, and hours.

17 As numerous challenges face our
18 Miami Beach hospitality industry and while
19 the market is still very, very strong, with
20 the Miami Beach Convention Center
21 renovation and illegal short-term rentals,
22 it is very important that we continue our
23 great work together in welcoming
24 opportunity, to also work very closely with
25 you and staff to define wage increases in a

1 timeline that industry can absorb without
2 inadvertent consequences and serious
3 disruptions. Thank you very much.

4 COMMISSIONER MALAKOFF: I wanted to
5 speak to you specifically about the illegal
6 short-term rentals, and Commissioner Aleman
7 and I are both working on something which
8 will help the hospitality industry with
9 that.

10 MS. KALLERGIS: We appreciate that,
11 and we're actually working very well with
12 staff right now, so we have -- I think
13 working together we're going to make a big
14 difference.

15 COMMISSIONER MALAKOFF: Yes. Thank
16 you.

17 MS. KALLERGIS: Thank you.

18 MS. WALSH: Good afternoon,
19 commissioners. My name is Wendi Walsh,
20 W-E-D-N-D-I, W-A-L-S-H, and I am proud to
21 be the principal officer for Unite Here,
22 Local 355. We are the hotel workers union
23 here in South Florida. Our union
24 represents 1,400 hotel workers here on
25 Miami Beach, many of whom are here with us

1 today, and hundreds of thousands of
2 hospitality workers across the United
3 States and Canada.

4 As we talk about the data, I would
5 like to put a face on this issue for us
6 here this afternoon. Our members and the
7 city's hotel workers are mostly women,
8 mostly recent immigrants, and nearly all
9 people of color. They are housekeepers and
10 dish washers who do some of the toughest
11 behind-the-scenes work to make some of our
12 hotels here so some of the best in the
13 country.

14 In Miami the average cost to rent a
15 hotel room is \$246. For the time period
16 January through March of this year, that
17 was the highest room rate in the entire
18 country, higher than San Francisco, Maui,
19 and New York City. Yet when you talk about
20 what the housekeepers make to clean these
21 hotel rooms, Miami is very far behind.

22 Hotel housekeepers in Miami on
23 average clean between 20 and 30 rooms a
24 day, and earn around \$9 an hour; while in
25 New York City, housekeepers clean nearly

1 half that, 15 rooms, and earn nearly \$30 an
2 hour; and in San Francisco they're also
3 cleaning 15 rooms a day and earn closer to
4 \$20 an hour.

5 A real living wage here in Miami
6 Beach is extremely necessary. The hotel
7 workers are the backbone of the tourism
8 industry. Many of our members who work
9 here have had to move off the beach to make
10 ends meet, while others struggle to
11 continue living here on the beach. They do
12 their best, as was said earlier, working
13 two, sometimes three jobs, but it just
14 isn't enough.

15 As the Miami Beach hotel industry
16 makes record profits, it's only right to
17 direct our attention to the people who make
18 that possible. You cannot continue to have
19 a successful hotel industry with poor,
20 frustrated, anxious hotel workers. The
21 workers cannot be expected to smile for a
22 guest when they're worried about feeding
23 their kids.

24 We applaud the commissioners for
25 proposing to expand the living wage to all

1 of the workers here on the Beach, and the
2 members of Unite Here will stand and
3 support every step of the way. Thank you.

4 MR. TARTARINI: Hello. My name is
5 Eduardo Tartarini, T-A-R-T-A-R-I-N-I. I've
6 been living in Miami Beach for 25 years,
7 and I work in the hotel business for 20
8 years. I can see increasing of living is
9 enormous. All of my friends have to leave
10 the beach.

11 I want to also know that the
12 building where I live, the rent is 450 a
13 month 25 years ago, and now the rest costs
14 \$1,800, and a lot of people, they have to
15 move, a lot of good workers, people like me
16 that pay taxes, provide many things for the
17 hotel business.

18 Miami Beach is one of the highest
19 tourisms in the world, and I met people
20 even from Dubai that like to come to Miami
21 Beach, and I think that this living wage is
22 necessary, not only for me, but for people
23 who are my neighbors, so they can have a
24 good standard of living.

25 I have a niece who is a single

1 mother, and she can hardly pay the
2 baby-sitter, and she can hardly pay also
3 her rent, and they have to move somewhere
4 else, and they cannot be closer to me as
5 part of my family. Thank you.

6 COMMISSIONER ARRIOLA: Michael.

7 MR. GOLDBERG: Thank you,
8 commissioners. Michael Goldberg,
9 M-I-C-H-A-E-L, G-O-L-D-B-E-R-G, chairman of
10 the board of the Miami Beach Chamber of
11 Commerce.

12 Just for the record, you know,
13 we are here to get more information, which
14 I think a lot of great information was
15 presented today, and we want to thank you
16 for that. We have not taken a formal
17 position on it for or against. I just want
18 to point out a few concerns that did come
19 up. We had a few meetings, and I just
20 wanted to point out a couple of them.

21 Similar to the hotel association,
22 one of our concerns is the -- and the
23 outreach that we did was the time frame.
24 If this does pass by 2020, the wage would
25 have to be up to \$13.31. Based on an \$8.05

1 wage now, that's a 65 percent increase in
2 about a three-year time period. So that
3 was one of the concerns that came out from
4 some of the outreach that we did.

5 Also there may be some unintended
6 consequences, you know, if this does pass.
7 This is feedback that we've gotten back,
8 not the Chamber's position, you know, of
9 one small business owner to say, well, I've
10 had someone working for me for ten years,
11 I've gotten them up to a certain wage,
12 which be above the \$13.31, but then if you
13 hire someone else, you pay them the same,
14 that employee may say, well, I've worked
15 here ten years, and now this person is
16 coming on board, and he's going to be
17 working at the same wage. So they felt
18 that may be a concern. Again, this is just
19 feedback that we've gotten that I wanted to
20 share.

21 And the last one, which, I think,
22 was expressed by Jerry Libbin, our CEO, was
23 any possible litigation that we may have to
24 go into with the State and the cost of that
25 litigation. I just wanted to share that,

1 but we appreciate you having this special
2 meeting. There's some great information
3 that we will now take back, you know, to
4 our board and to our members, and
5 we appreciate you doing this special
6 meeting to give us more information on
7 this. Thank you.

8 COMMISSIONER ARRIOLA: Thanks,
9 Michael, for coming in. Folks, let's have
10 some decorum. Okay? I have questions for
11 you, you know, particularly small business,
12 I think the average small business owner
13 makes \$30,000 a year. It's not what people
14 typically think. Mom and pops work as hard
15 as anybody or harder than many people just
16 to make ends meet themselves.

17 So I have a concern on anything that
18 impacts our small businesses, which is the
19 backbone of our economy, whether it's
20 rising health care cost, rents, government
21 red tape, or wages.

22 Any comments or thoughts that you
23 have on what this would mean to small
24 businesses, and how we can make sure that,
25 you know, we don't put people out of

1 business, because if we put people out of
2 business, you lose jobs.

3 MR. GOLDBERG: Sure. Well, it's
4 funny you say that, because one of the
5 things that came up and was discussed was,
6 of course, this threshold to be \$500,000 in
7 gross sales. Over 500,000 you'd have to be
8 implemented, if it was less than 500,000,
9 they wouldn't have to implement it, so the
10 question came up, you know, well, would
11 that impact them.

12 Well, it actually would impact them,
13 too, because if you've got employees and
14 you're a small business owner with gross
15 sales of less than 500,000, and you're not
16 paying that wage, whether or not it was the
17 10.31 which would be implemented, you know,
18 a year from June or at the end of the year,
19 they would have a problem retaining their
20 employees, and that actually came up in
21 some of their discussions, that it really
22 is going to effect all small business.

23 Again, I don't think there's an
24 issue with raising the wages. I mean,
25 again, there's some good facts that were

1 presented here, and we definitely want to
2 bring that back and I think educating the
3 small business owners and all the business
4 owners in the City of Miami Beach as to,
5 you know, what the statistics are. It's
6 important.

7 We really have been trying to
8 gatherer data and just learn as much as
9 we can, and we didn't think we had enough
10 data to take a formal position yet, but
11 we appreciate you taking the time to
12 educate, you know, the public on the issue
13 for the next commission meeting.

14 COMMISSIONER ARRIOLA: You know,
15 there's so much goes into -- I'm a business
16 owner myself. There's so much that goes
17 into a business and, you know, costs and
18 being able to make a profit is essential
19 for a healthy business, and wages are a
20 huge component for many businesses, but,
21 you know, I'm interested in maybe the
22 chamber can help us identify ways to help
23 particularly the small businesses but also
24 our workers, because even if minimum wage
25 were to go up, it's not a silver bullet,

1 people are still going to struggle to make
2 ends meet.

3 This will help, but transportation
4 costs, parking on the beach, rising
5 healthcare costs, all of these things. You
6 know, I want to down the road, you know,
7 I know all of us commissioners are working
8 on things like transportation, affordable
9 housing, and all of that, but this is
10 potentially, you know, one step in the
11 direction of making Miami Beach a more
12 affordable place to live and to do
13 business, and I would love to hear ideas
14 from the chamber on other things that
15 we can do to help small businesses and our
16 workers have a better quality of life and
17 be a more successful business.

18 MR. GOLDBERG: Absolutely, and we'll
19 continue, as you know, we work very
20 closely, you know, with you and the
21 administration all the issue effecting, you
22 know, anything that impacts, you know, not
23 just the businesses of Miami Beach but
24 residents and quality of life. So you know
25 we're engaged with that, and we appreciate

1 your partnership with us and working with
2 us, and we'll continue to do that, and
3 we thank you.

4 COMMISSIONER ALEMAN: If I can
5 comment to just, I think, illustrate or
6 highlight what Commissioner Arriola said is
7 that, you know, if we pass this minimum
8 wage ordinance, we know that this alone
9 doesn't solve the problem of the
10 affordability of workforce living in Miami
11 Beach, but it's one piece to the puzzle,
12 and we know transportation is an issue,
13 we -- you know, we know that affordable
14 housing is an issue, we know that education
15 is an issue.

16 So for everyone who is here today
17 and for everyone who may be watching this
18 now or in the future, all of our emails are
19 on the website. If you have another piece
20 of that puzzle, it's really important to us
21 for the quality of our city, it goes right
22 to the heart of the issues that effect our
23 quality of life like traffic and congestion
24 and just being a healthy vibrant community.

25 So our doors are open for your

1 feedback and ideas, and that extension
2 goes, of course, not just to the chamber
3 but to all of you.

4 COMMISSIONER MALAKOFF: And I have
5 one more thing to talk about with
6 specifically Michael Goldberg with the
7 chamber. You talked about the mom and pop
8 businesses. If I'm correct, when it's a
9 family-owned business and there is a
10 husband and wife and say a son or daughter
11 that are working the business, I believe
12 they are -- they can be exempted from this?

13 MR. ROSENWALD: That's correct,
14 commissioner. The -- the FLSA the federal
15 standard guides who has to pay the minimum
16 wage, and that is businesses that make less
17 than \$500,000 a year and exempted from that
18 is anyone with -- who is staffed solely by
19 immediate family members. So if you are
20 truly a mom and pop, even if you're making
21 more than \$500,000 a year, if only your
22 immediate family is working for you, then
23 you're not subject to minimum wage at all.

24 COMMISSIONER MALAKOFF: Thank you.

25 COMMISSIONER ARRIOLA: Rob, in

1 reading to whom this applies, it's \$500,000
2 or more, but I also saw a clause that said
3 or the businesses engaged in interstate
4 commerce; is that correct?

5 MR. ROSENWALD: I think it's "and
6 interstate commerce."

7 COMMISSIONER ARRIOLA: Oh, it's
8 "and"? It's "and" not "or," it's "and."

9 MR. ROSENWALD: Yes, exactly.
10 And --

11 COMMISSIONER ARRIOLA: Because
12 everyone's involved in interstate commerce
13 now-a-days.

14 MR. ROSENWALD: Yeah, it's very hard
15 not to be, but if you truly aren't, if you
16 don't send anything outside of the state,
17 you wouldn't be -- you wouldn't be included
18 in it. You would be exempted also.

19 COMMISSIONER ARRIOLA: So it's
20 500,000 "and"?

21 MR. ROSENWALD: Yes, that's my
22 understanding, but you're right, almost
23 everybody is covered.

24 COMMISSIONER ARRIOLA: Everybody
25 under the supreme court.

1 MR. PAPY: I also wanted to clarify,
2 the comment was made about the business
3 that would be impacted, the small business.
4 The coverage is identical to the Fair Labor
5 Standards Act and the state law, the state
6 constitutional minimum wage ordinance, so
7 we're not adding anyone who's not already
8 covered under the federal and the state
9 law. So I just wanted to clarify that.

10 COMMISSIONER ARRIOLA: What are all
11 these young kids doing here? I want to
12 hear from them.

13 MS. BACH: Good afternoon
14 commissioners. Good to see you all. My
15 name is Lili Bach, L-I-L-I, B-A-C-H. I'm
16 with 32BJ with SEIU. The minimum wage
17 increase is a dire necessity all over the
18 state, especially right here in the City of
19 Miami Beach. Those who work hard we feel
20 deserve fair pay. Our members live in our
21 communities and attend our public schools
22 and overall contribute to our local
23 economies.

24 We hear from workers who want to
25 spend more time with their families but

1 simply cannot, because they're running from
2 one low-paying job to other, therefore, not
3 having any time to spend with their
4 children or with their families, usually
5 having to work two to three jobs just
6 because the pay is not enough.

7 How does minimum wage jobs help our
8 communities? Quite frankly, they do not,
9 and how is the need to work two or three
10 low-wage jobs to survive helping our
11 economy and helping our people that live in
12 these communities, and again, it's not
13 right.

14 I'd actually like to challenge the
15 chamber to try to spend living on a week on
16 minimum wage to see if maybe that could
17 help encourage them to be a little more
18 involved in being proactive in helping with
19 this so they can really feel what it's like
20 to have to make certain cuts, whether it's
21 to paying this bill or another bill,
22 whether it means that they have to bring
23 their child with them to work because they
24 cannot afford childcare and so on.

25 So Miami Beach needs to lift up our

1 workers and support increasing the minimum
2 wage, and we definitely encourage the
3 commission for doing so and support mayor
4 Levine as well, so thank you.

5 COMMISSIONER ARRIOLA: Lili --

6 COMMISSIONER ALEMAN: Lili, you know
7 we only make \$6,000 a year, right?

8 MS. BACH: Excuse me?

9 COMMISSIONER ALEMAN: I said, you
10 know we only make \$6,000 a year, right?

11 MS. BACH: That's why we have to
12 make sure that --

13 COMMISSIONER ARRIOLA: I want to
14 check with the city attorney. You know
15 that commissioners make less than minimum
16 wage, a lot less.

17 MR. PAPY: We'll take it up.

18 MS. BACH: This is for everyone.

19 MR. QUINCOCES: Good morning,
20 commissioners. My name is Richard
21 Quincoces, Q-U-I-N-C-O-C-E-S. First,
22 I want to thank Mayor Levine on fighting
23 for the working families of Miami Beach and
24 proposing this ordinance on raising the
25 minimum wage and you for hearing this and

1 considering it.

2 I've been a resident of Miami for
3 over 25 years and have been a construction
4 worker for over ten. I come here, I'm
5 speaking on my personal experience as a
6 construction worker. I work under union,
7 I worked under LIUNA Local 1652, and I have
8 work with other people that are not
9 represented under my collective bargaining
10 agreement, and I have seen the struggles
11 that these families have firsthand.

12 I have seen how they have been able
13 to have to jump onto public assistance, and
14 the employer, the corporation, will tell
15 them this is the way to go do it.

16 I also -- I believe that these corporations
17 are earning year in and year out they earn
18 massive profits, and all they do is propose
19 for people to jump on public assistance.
20 So I ask you to please consider in helping
21 these people out and, you know, grow
22 Miami-Dade -- I mean, grow Miami. We're
23 all residents here, and, you know, it's
24 hard to live here. Thank you.

25 MR. BARFIELD: Hello, how you all

1 doing?

2 COMMISSIONER ARRIOLA: Good. How
3 are you? Your name for the record?

4 MR. BARFIELD: My name is Isaiah
5 Barfield. Isaiah Barfield. Can you hear
6 me now? I'm a fast food worker for KFC,
7 and as this gentleman was just saying, it's
8 very, very difficult and hard to fight this
9 minimum wage, and at the moment it's 8.52
10 is what I get approximately, and that is
11 clearly too little.

12 It's a little too late, because, you
13 know, I'm facing eviction, and because
14 I can't pay my bills, I can't really eat,
15 I loose pounds, and this is just me myself.
16 So, you know, for families I know it's
17 devastating, and for them to get out there
18 with their children, try to encourage them
19 to eat out of a can of beans or to eat this
20 steal food that they can't afford it's
21 hurtful and downhearted that they get low
22 salary. And they have to stay up with
23 their children. Not only work two or three
24 jobs, but also make their families happy
25 when they're not really happy with

1 themselves and the way that they are
2 treated.

3 So I'm here just to say, just one
4 voice, that, please, give Miami Beach what
5 they need. Thank you.

6 COMMISSIONER ARRIOLA: Thank you.
7 Thank you for sharing your story.

8 MR. CUBA: Good afternoon
9 commissioners. My name is Juan Cuba,
10 J-U-A-N, C-U-B-A. I'm going to tell you a
11 little bit about my personal experience,
12 but also I'm going to read a letter into
13 the record from Rabbi Schiff.

14 First, I grew up in Miami. Since
15 I was three years old, I grew up in
16 Kendall, I lived in the City of Miami most
17 of my life. My parents worked minimum wage
18 jobs. My dad worked two or three jobs just
19 to make ends meet, and so did my mom. You
20 know, I would remember my dad had to
21 deliver pizzas, you know, was a maintenance
22 guy in condos, and how tough it was for him
23 and how much strain it caused our family.

24 So this bill, this minimum wage that
25 you guys are doing, it's inspiring, and

1 it's going to help so many families. It's
2 about families, it's about neighborhoods,
3 it's about communities, because when
4 workers that are working two jobs are
5 barely making it and come home, and if you
6 give them a raise, it will mean so much to
7 them and their children, so thank you.

8 I have a letter here from Rabbi
9 Solomon Schiff, president of South Florida
10 Interfaith Worker Justice that I'll read
11 into the record.

12 Dear Mayor Levine and commissioners,
13 on behalf of South Florida Interfaith
14 Worker Justice and the faith communities
15 that we represent, we would like to commend
16 you for your efforts to support working
17 families in Miami Beach and to encourage
18 you to continue to do so by enacting the
19 Miami Beach living wage ordinance that will
20 be heard by the finance committee on June
21 3, 2016.

22 You have the opportunity not only to
23 support our Miami Beach community through
24 those initially affected by the ordinance,
25 but also to affect many others due to the

1 ripple effects of the ordinance.

2 Additionally, Miami Beach can, once
3 again, serve as an exemplar and set a
4 positive tone for others in our county and
5 our state. Your actions in support of this
6 ordinance would embody our diverse faith
7 tradition by recognizing the inherent
8 worth, rights, and dignity of employees and
9 their families.

10 We urge you to support the Miami
11 Beach Minimum Living Wage Ordinance,
12 thereby benefitting not just our local
13 community but many others as well.
14 Sincerely, Rabbi Solomon Schiff. Thank
15 you.

16 MR. LICHTMAN: Good afternoon. My
17 name is Al Lichtman, A-L -- got that one?
18 L-I-C-H-T-M-A-N. Great presentations.
19 I think I've got some bullet points here, I
20 think there's some things we need to know,
21 but the federal minimum wage is not
22 currently tied to inflation or the cost of
23 living changes.

24 So in areas where the minimum wage
25 is not enough to pay for basic living and

1 employees who are working for minimum wage
2 and do not rely on government assistant
3 programs have greater hurdles to make a
4 living. That means that greater turnover
5 of employees who are consistently seeking
6 wages and to find new ways to make more
7 money.

8 Now cities like Santa Fe and San
9 Francisco, and I did a little research on
10 this, because there's a lot -- there's a
11 lot going on around the country and the
12 different cities that have already done
13 these things, and some of the things are
14 that the economic evidence indicates that
15 the highest city minimum wages enable in
16 U.S. cities to date have boosted earnings
17 without slowing job growth or causing
18 business relocations.

19 Now, an indication of this new wave
20 of action around local minimum wages was
21 the U.S. Conference of Mayors, the Cities
22 of Opportunity Task Force, which in August
23 of 2014 endorsed higher city minimum wage
24 wages, asking tools for fighting income
25 inequalities at the lower level.

1 Now, I've worked on Miami Beach for
2 the last 35 years, and, you know, I'd like
3 to keep it as a great place to work, visit,
4 and have fun. So thank you for your time.

5 COMMISSIONER ARRIOLA: Thank you.
6 Other folks? Sir.

7 MR. DIXON: Marcus Dixon, SEIU,
8 Florida state counsel, M-A-R-C-U-S, D, as
9 in dog, I-X-O-N, as in November.

10 I just wanted to provide some
11 information based on some of the earlier
12 conversations. Two-thirds of minimum wage
13 workers in the United States are women, and
14 that, you know, puts it in perspective
15 exactly how much it affects families, but
16 in Florida the average underpaid worker is
17 40 years old, and most of them are women.

18 Another important fact is that low
19 wages are costing Florida taxpayers
20 \$11.4 billion in public assistance each
21 year. That's based on a report SEIU
22 published earlier this year called the High
23 Public Cost of Low Wages, and that's taking
24 into consideration 10 public assistance
25 programs excluding Medicaid costs.

1 And to answer or respond to one
2 additional point that I heard a little bit
3 earlier is the cost for living in Miami
4 Beach. Using the Economic Policy Institute
5 as a resource, they have a family budget
6 calculator. If I could put it up on the
7 computer, I would, but it lays out for the
8 Miami, Miami Beach, Kendall Metro area the
9 cost of living, and so it takes into
10 consideration housing, food,
11 transportation, health care, and other
12 necessities and taxes.

13 So for a single individual, the cost
14 of living in this metropolitan area is
15 \$31,354 annually. So you think about that,
16 you think about the 16,000 that Cynthia
17 mentioned earlier in terms what of a
18 minimum wage worker actually gets, and you
19 wonder what exactly they're doing to make
20 it through.

21 This calculator also allows you to
22 add children and the number of adults in
23 the household, so you stay with a single
24 adult and add a child, and that number
25 jumps from the 30,000 number up to \$52,000

1 annually.

2 That's all I wanted to share with
3 you. Thank you.

4 COMMISSIONER ALEMAN: I might add,
5 as we contemplate those numbers, that
6 obviously there's no room in there for
7 savings, and there does come a point in all
8 of our lives when it's time to retire and
9 we're not able to work anymore, and then --
10 you know, then we're talking a hundred
11 percent gap, because there's no way with
12 that model that people can be putting aside
13 money for their future which may have
14 higher healthcare costs and other issues.

15 MR. DIXON: Absolutely. Thank you.

16 COMMISSIONER ARRIOLA: Matis. Let's
17 hear from Matis.

18 MR. COHEN: Hi, Matis Cohen,
19 M-A-T-I-S, C-O-H-E-N. Truly, I'm inspired
20 and moved by the testimony and stories that
21 I've heard here today, and I -- I was also
22 educated with some of the numbers that
23 I was surprised to hear, and I'm happy that
24 we had this open forum that we can have
25 that discussion, but as Commission Aleman

1 and Commissioner Malakoff, and Commissioner
2 Arriola, you've mentioned that it is only
3 one component.

4 And I think it would be a nice idea
5 if there was a City contribution, I call
6 it a "contribution" for lack of another
7 word, that would promote the -- in addition
8 to this, the businesses that actually have
9 residents working on the beach. So while
10 we're talking about transportation, so a
11 resident that lives on the -- a resident
12 that is working on the beach, that small
13 business or a larger business can
14 benefit -- should have a beneficial --
15 there should be some benefits to that
16 business that helps to embrace this type of
17 ordinance and long-term thinking, and just
18 an idea of something that might be a
19 win-win for everybody and for the city also
20 to contribute into this initiative.

21 COMMISSIONER ARRIOLA: It's a good
22 idea. Can you maybe -- now or maybe later
23 you can come back to us with some ideas
24 there. I think that's a good idea for a
25 lot of reasons.

1 MR. COHEN: Yeah, so -- so we've had
2 a lot of conversations on this issue, and
3 there are some things and, of course, some
4 other ideas regarding workforce housing
5 that are attached to it as well, and
6 I think that the City had had many, many
7 years ago some kind of initiatives that
8 never took effect, but I think that they
9 can be combined, and I think that from a
10 holistic perspective, looking at the
11 housing, transportation, and wage as a
12 combination is a very healthy way to be
13 looking at it. Thank you.

14 COMMISSIONER ARRIOLA: It's a great
15 idea. You know, at the end of this I'll
16 give you my comments on all of this, but,
17 you know, as I had mentioned earlier, even
18 if we raise the minimum wage, it's still
19 tough to get by.

20 MR. COHEN: Yes.

21 COMMISSIONER ARRIOLA: So, you know,
22 the concern I have is, you know, with
23 traffic being a big problem for our
24 community, to the extent that the folks who
25 are trying to help here can't actually live

1 here, we're not addressing traffic and the
2 other issues that we're trying to tackle,
3 and perhaps there's a way to keep some of
4 these folks, either move them to Miami
5 Beach or keep some of our folks that are
6 living here but working elsewhere.

7 MR. COHEN: Right.

8 COMMISSIONER ARRIOLA: So I'm very
9 interested in those ideas.

10 MR. COHEN: So when you touched
11 upon -- when you offered to hear the ideas,
12 it triggered the next stage, and we'd love
13 to have that conversation, because there
14 are a lot of ideas coming around right now
15 regarding how to make this a combination
16 that solves the real problem. It's not
17 just one element, and when I hear people
18 working two and three jobs, it hurts to
19 hear it, and to live on the beach, and
20 that's a big sacrifice.

21 We'd like to find ways to
22 incentivize them and to loosen the burden
23 that it's not just about an increase in
24 wage, but it's about the quality of life as
25 well.

1 COMMISSIONER ARRIOLA: Thank you.

2 MR. COHEN: Thank you.

3 COMMISSIONER ARRIOLA: Matt, did you
4 want to come up?

5 MR. LAND: Sure.

6 COMMISSIONER ARRIOLA: Folks, we'll
7 go maybe another 15 minutes or so, and then
8 we'll close it off.

9 MR. LAND: Matthew Land,
10 M-A-T-T-H-E-W, L-A-N-D, political director
11 for the Southeast Labor District Counsel
12 and also Commissioner Aleman appointee or
13 one of her appointees the Miami Beach
14 Affordable Housing Advisory Committee.

15 I commend you all for taking this
16 position today and agree with all the
17 comments about this is a multi-pronged
18 approach. It's not just wages, it's
19 transportation and housing, and just to
20 give you all a very brief preview, so our
21 affordable housing advisory committee is
22 currently contemplating multiple different
23 legislative proposals.

24 We hope to bring something forward
25 to you guys in the coming months, give you

1 guys a buffet of options, what have you, to
2 say these are some great ideas. We've been
3 hearing from some phenomenal people like
4 Ralph Rosado, hearing from the folks at UM.

5 I've been consulting with people
6 like Commissioner Francis Suarez,
7 Commissioner Xavier Suarez, Commissioner
8 Barbara Jordan on things that they're doing
9 all around Miami-Dade County, because
10 there's some really great things that
11 we can do to address affordable workforce
12 housing, and that's one of the areas Miami
13 is certainly lagging in addressing, and we
14 look forward to bringing you those soon.
15 Thanks.

16 COMMISSIONER ARRIOLA: Thank you.

17 MR. CIRALDO: Daniel Ciraldo,
18 C-I-R-A-L-D-O.

19 COMMISSIONER ARRIOLA: Daniel, I'm
20 used to seeing you with the historical
21 preservation. It's like a parallel
22 universe here.

23 MR. CIRALDO: I know, and actually I
24 have to -- I have to thank Wendy and
25 Jackie, because during the convention

1 center hotel vote, I learned about how the
2 hotel was proposed to have a living wage
3 for its workers, and I promised them at the
4 time that if we won and the hotel was
5 defeated, that I would be here to stand in
6 support of living wage, so hear I am.

7 COMMISSIONER ARRIOLA: You know
8 we're working hard to bring it back.

9 MR. CIRALDO: I know. I know, we're
10 going to build consensus and make a great
11 hotel, but yeah, I think Miami Beach has
12 been so successful with its hotels, with
13 its historic preservation, with its real
14 estate that now is a great time to catch up
15 with the workers who really make it all
16 happen, and I think it's a great idea, and,
17 hopefully, you'll all support it.

18 And also in terms of housing, you
19 know, the North Shore is a great area that
20 has a lot of housing where people live and
21 work in Miami Beach. I live in Flamingo
22 Park, it's a historic district. Everyone
23 in my building works in Miami Beach, and a
24 lot of them are hotel workers.

25 So let's also look to our historic

1 district and other areas to protect and
2 improve the housing there, because it is
3 one of the last remaining affordable places
4 to live. Thank you.

5 COMMISSIONER ARRIOLA: Thank you.
6 You got up earlier, do you want to speak?
7 I saw you got sworn in, I didn't know
8 if you wanted to speak. Okay. Anybody
9 else?

10 No? Okay. Great.

11 COMMISSIONER MALAKOFF: The children
12 are shy.

13 COMMISSIONER ARRIOLA: You know
14 what, it's good practice for you guys. One
15 of you brave ones, stand up. This will be
16 good. You'll remember this for the rest of
17 your life. It's okay.

18 MS. FLEURILUS: He said he wanted to
19 speak.

20 COMMISSIONER ALEMAN: We would love
21 to hear from you.

22 COMMISSIONER ARRIOLA: It's good
23 practice. I want to hear from you.

24 COMMISSIONER ALEMAN: Then you'll
25 get to -- yeah, all right, and you'll get

1 to see yourself on television later, so
2 that's fun too.

3 COMMISSIONER ARRIOLA: Yeah, you'll
4 be on TV. Somebody take his picture so
5 he can show off. What's your name?

6 MR. DENISON TOUZE: I think they
7 should --

8 COMMISSIONER ARRIOLA: What's your
9 name, and where do you go to school?

10 MR. DENISON TOUZE: Denison, and
11 I go to school at Woodlands Middle, and
12 I think they should raise the minimum wage
13 to \$15 because --

14 COMMISSIONER ALEMAN: He's a good
15 negotiator.

16 MR. DENISON TOUZE: -- people
17 deserve it, because they're like working
18 for their families, and it's not fair to
19 them. They're like overworked, and they
20 don't get like paid enough, and yeah.

21 COMMISSIONER ARRIOLA: Thank you.
22 Wait, wait, wait, wait. Come back. Come
23 back. Yeah, Denison, thank you so much for
24 your comments. You're very brave, and
25 if you guys want to come up, I'd love to

1 hear from you, too.

2 What are you thinking about being
3 when you grow up?

4 MR. DENISON TOUZE: Engineer.

5 COMMISSIONER ARRIOLA: Very good.
6 Nice. Do you like math?

7 MR. DENISON TOUZE: Yes.

8 COMMISSIONER ARRIOLA: Good. Stick
9 to it. That's the hottest career. You'll
10 have a job for life, a good paying job,
11 you'll never make minimum wage, and you
12 will -- and our country needs more
13 engineers. It's a big problem that
14 we have. So stick to it, don't give up.

15 Come on. You won't regret it,
16 I promise. Come up. What's your name.

17 MR. NICK TOUZE: Nick Touze.

18 MS. FLEURLIUS: Just go say your
19 name.

20 COMMISSIONER ARRIOLA: Come on up.
21 We've got time to kill. What's your name?

22 MR. NICK TOUZE: My name is Nick
23 Touze.

24 COMMISSIONER ARRIOLA: Okay. Good.
25 Where do you go to school?

1 MR. NICK TOUZE: Poinciana
2 Elementary.

3 COMMISSIONER ARRIOLA: Great. How
4 do you feel about this issue?

5 MR. NICK TOUZE: Sorry for the
6 people that can't make enough money to
7 raise their families.

8 COMMISSIONER ARRIOLA: Okay. What
9 do you want to be when you grow up?

10 MR. NICK TOUZE: A football player.

11 COMMISSIONER ARRIOLA: It's a little
12 bit tougher, but that's good. Do you play
13 now?

14 MR. NICK TOUZE: Yes.

15 COMMISSIONER ARRIOLA: Flag or pads,
16 tackle?

17 MR. NICK TOUZE: Pads.

18 COMMISSIONER ARRIOLA: Pads, oh,
19 tackle. Where do you play, what park?

20 MR. NICK TOUZE: WBFL West Boynton.

21 COMMISSIONER ARRIOLA: Nice. What
22 position do you like playing?

23 MR. NICK TOUZE: Linebacker.

24 COMMISSIONER ARRIOLA: Good
25 position. Who is your favorite football

1 player?

2 MR. NICK TOUZE: Ray Lewis.

3 COMMISSIONER ARRIOLA: Mine too. I
4 love Ray. He's amazing. He's great.
5 Well, good. That wasn't so bad, right?
6 You did your first public speaking.

7 We've got one more. You can't be
8 the odd -- the odd guy out. You're shy.
9 I just want your name. I just want your
10 name.

11 MR. NOAH FLEURILUS: Can you hear
12 me?

13 COMMISSIONER ARRIOLA: What's your
14 name? Yeah, I can hear you. What's your
15 name?

16 MR. NOAH FLEURILUS: My name is Noah
17 Fleurilus.

18 COMMISSIONER ARRIOLA: Do you like
19 football?

20 MR. NOAH FLEURILUS: I like
21 basketball.

22 COMMISSIONER ARRIOLA: You like
23 basketball. Who you rooting for? Who are
24 you rooting for in The Finals, the Warriors
25 or the Cavaliers?

1 MR. NOAH FLEURILUS: Warriors.

2 COMMISSIONER ARRIOLA: Warriors.

3 All right. Me, too. Do you know who Cam
4 Newton, the football player, Cam Newton?

5 MR. NOAH FLEURILUS: No.

6 COMMISSIONER ARRIOLA: You kind of
7 look like him. Very handsome guy, and a
8 great football player. So where do you go
9 to school.

10 MR. NOAH FLEURILUS: Benoist Farms
11 Elementary.

12 COMMISSIONER ARRIOLA: What do you
13 want to be when you grow up?

14 MR. NOAH FLEURILUS: A fire fighter.

15 COMMISSIONER ARRIOLA: Oh, good,
16 good. We have great -- we have, I think,
17 the best fire department in the whole
18 county and the whole state, so when you get
19 old enough, we'd love to have you apply
20 here, and if you'd like to come see a fire
21 station, I'll arrange that. I'll have my
22 aid give you his business card, and you
23 call us, and we'll have the firefighters
24 show you around. Deal?

25 MR. NOAH FLEURILUS: Yes.

1 COMMISSIONER ARRIOLA: That wasn't
2 so bad, right? That wasn't so bad. Okay.
3 Anybody else?

4 Okay. I'm going to close the public
5 hearing, and I would love to hear from my
6 colleagues on this issue.

7 COMMISSIONER MALAKOFF: I'm very
8 much in support of this ordinance, and
9 I think we've heard a lot of good data
10 today. About 38 cities that have enacted
11 their own minimum wage legislation with
12 positive benefits not only to the workers,
13 but to the businesses.

14 I think that the impact has been
15 positive, not adverse. I think that we're
16 on the right track to -- to do not only the
17 wages, but also, as I mentioned before,
18 Commissioner Aleman and I both are working
19 on stopping illegal short-term rentals
20 which is having a very negative impact on
21 the hospitality industry, and I think that
22 is really going to help and enable the
23 hotels to feel better about -- about paying
24 the living wage.

25 I think we also need to continue

1 looking. We right now have trolleys that
2 are free of charge to everybody in Miami
3 Beach, and we're going to be putting in the
4 Middle Beach, so that worker who are
5 working on Miami Beach will have free
6 transportation going South Beach, Middle
7 Beach and North Beach. I think that will
8 help.

9 I also think, because transportation
10 was one of the main items, and the other
11 was workforce housing. We are putting out
12 a request for proposal for several new
13 garages in the city, and part of each of
14 the garages will be a component for
15 workforce housing.

16 There's a big need for housing in
17 the city, and as Matthew Land mentioned,
18 our affordable Housing Committee is also
19 looking at that with some, hopefully,
20 out-of-the-box ways that we can provide
21 affordable housing as well as workforce
22 housing in the City of Miami Beach.

23 So I thank you all for coming here
24 today, and thank you so much for giving us
25 this additional facts, figures, and

1 information.

2 COMMISSIONER ALEMAN: I just want to
3 echo what my colleagues have said. I'm
4 interested as well in some of the ideas
5 that were raised about additional benefits
6 that we might as a city be able to provide
7 to businesses that employ residents and
8 looking forward to some additional creative
9 thinking there.

10 I was really, similar to what
11 Mr. Cohen said, very impressed, inspired,
12 and humbled by a lot of the research and
13 analyses that was shared by some of the
14 experts today. I found that very helpful.

15 I was really shocked to learn that
16 globally Miami's income inequality exceeds
17 that of Buenos Aires and Rio de Janeiro and
18 Mexico City. I found that -- you know,
19 it was a bit -- a bit shocked by that.
20 I did know we had one of the highest wage
21 gaps in terms of the -- I can't remember
22 the terminology for it, but basically the
23 77,000 that it takes to live, and that's
24 not an excessive lifestyle that they're
25 modeling, that's a very basic lifestyle.

1 So the gap against the current
2 minimum wage is pretty shocking, and so
3 I think we can see why we've had with --
4 combine that with just the soaring property
5 values driving increased rents, combine
6 it with, as Commissioner Malakoff said,
7 short-term rentals really stealing --
8 stealing jobs and also not providing, you
9 know, the funding to the city that we can
10 use to offset, you know, some of these
11 issues and help us with these issues.

12 So I think it was an excellent
13 forum. I'm proud to be a part of it, and
14 thank you to everyone who came out and
15 stayed, and congratulations to the young
16 men who did testify, thank you for that,
17 and yeah.

18 COMMISSIONER ARRIOLA: I just -- I
19 just have some notes and thoughts. I'll
20 just kind of ramble a little bit and try to
21 be coherent. So, you know, I got to this
22 point of, obviously, favoring this
23 resolution and moving in the direction of
24 raising our minimum wage in Miami Beach.

25 I did a lot of research, read a lot

1 of studies from different economic --
2 economists and think tanks, and the
3 overwhelming consensus, I was very
4 surprised to read, is that minimum wage
5 does not hurt jobs and it does not hurt
6 economies or businesses, and so that gave
7 me comfort, because I don't want to see
8 businesses suffer, because then we all
9 suffer.

10 But what really got me to the place
11 where I'm at now in supporting this is
12 that, you know, when you look at the impact
13 on human beings that get trapped in the
14 cycle of poverty, it's -- it's not easy to
15 get out, you know, and I -- you know, I'm
16 embarrassed that our community in Dade
17 County has the income inequality that
18 it does. I'm not sure that this will break
19 that, but if it -- if it helps get us out
20 of that cycle, then I'm going to be very
21 proud to have supported this legislation.

22 It's going to be a fight. It's
23 likely going to end up in court. I think
24 the City is ready and eager to challenge
25 the state on this. Miami Beach has always

1 been a progressive city. That's why, I
2 know, my colleagues and I ran for office.
3 We're very proud of this community, and the
4 folks that live here and work here.

5 We've led the way on LGBT issues.
6 We're leading the nation on sea level rise.
7 We have a very open and transparent
8 government. We're leading on environmental
9 causes now, and, again, the State is
10 challenging us on a lot of those things.
11 We're trying to be very progressive on
12 transportation, tackling our transportation
13 issues. We're all going to be seeing a lot
14 more of that in the coming months.

15 You know, we welcome guests from all
16 over the world, so, you know, what are
17 we saying to the world about who we are as
18 a community, and, you know, income
19 inequality is a big problem in our country,
20 and Miami Beach has always been a
21 progressive city, and I think people expect
22 us to lead as a city, and this is sending a
23 signal to the State and to the rest of the
24 nation that we're willing to do things that
25 we think are right, and even if it's going

1 to be hard to do, we're willing to do it.

2 We're tackling sea level rise at a
3 time when this is an existential crisis for
4 us, but we're not backing down. We think
5 we can meet the challenge. I think we can
6 meet the challenge of dealing with income
7 inequality in our community.

8 It's not a silver bullet. Raising
9 the minimum wage is not going to get us
10 where we all want to be in making Miami
11 Beach an afford place and having a high
12 quality of life, not just for people in the
13 upper income level, but for all people. So
14 you've heard my colleagues here talking
15 about things that we want to do, and
16 we need your help.

17 Affordable housing, transportation,
18 we need your help to help us get there.
19 We have a lot of good ideas, but we need
20 public support to get there. Raising the
21 minimum wage is not the only way to help
22 deal with affordability and quality of
23 life. We're prepared to do everything
24 we can to get us there.

25 Property taxes, which is a big way

1 that we found ourselves here at the city,
2 went up 13.3 percent is 2014, and just
3 recently, we got the numbers two days ago,
4 another 12.2 percent. That tells us that
5 we have the money to solve a lot of these
6 issues.

7 I think this commission has the will
8 to do it, but we need your support, and so
9 I'm saying this to the public at large,
10 we need to come together as a community and
11 lead the way for our state and our nation
12 on how communities can build for the future
13 for everybody, not just the upper income
14 folks.

15 So I'm proud that we're here today
16 and taking this initiative to raise the
17 minimum wage, and I look forward to, you
18 know, winning this in court if it comes to
19 that. I think for the small business
20 owners out there who might be worried with
21 this, I think you heard from myself and my
22 colleagues that we're also going to do
23 everything we can to mitigate any negative
24 effects this may have.

25 The implementation is an 18-month

1 implementation, and it's phased out over a
2 period of years so that businesses can
3 prepare. We're dealing with transportation
4 and affordable housing, which will also
5 help offset some of the costs that
6 businesses today have to absorb in their
7 workers and in their businesses.

8 I believe, correct me if I'm wrong,
9 is there a provision in the resolution for
10 an economic study every couple of years to
11 see the impact of this?

12 MR. PAPY: At the end of the period,
13 each year there will be an annual review of
14 the cost of living. That's how it's set
15 up. That's the way we --

16 COMMISSIONER ARRIOLA: Okay. Oh,
17 wonderful. We have a present for you guys.

18 Do you have something, Joy?

19 COMMISSIONER MALAKOFF: Yes, I just
20 wanted to mention besides the minorities
21 that are so much impacted, I just wanted to
22 repeat, again, that two-thirds of the
23 minimum wage workers are women, and I think
24 that's so important.

25 It's a wonderful -- it's a terrible

1 statistic, but it's good to know, and
2 I think that when women are trying to raise
3 a family, and often they're single women,
4 it's often impossible, and this is really
5 going to help. This is important. And I
6 wanted to repeat something that Juan Cuba
7 mentioned in his letter from Rabbi Schiff.

8 This is for workers to show their
9 worth, their rights, and dignity, and
10 I think it's something we have to keep in
11 mind, whether there are some problems in
12 implementing, we have to think what the end
13 result is, and it's going to be helping the
14 minorities, helping woman, and validating
15 the dignity and worth of every worker.
16 Thank you.

17 COMMISSIONER ARRIOLA: You know, it
18 makes me proud that we are Miami Beach, and
19 we're leading the way on so many of the
20 issues that I mentioned, and yet, you know,
21 it's troubling to me that we live in a
22 state that takes great pride, as the
23 governor did a couple of weeks ago in
24 California, going out and saying that
25 we have the lowest wages, as if it's

1 something to be proud of.

2 We live in a state that tries to
3 preempt municipalities from passing
4 environmental laws to protect their own
5 communities. You know, we live in a state
6 that, you know, currently denies climate
7 change, and we're at the ground level of
8 sea level rise.

9 You know, so it doesn't matter what
10 the State is going to do, Miami Beach will
11 lead, and we will be progressive, and
12 we will show the State what needs to be
13 done to make this the best state in our
14 nation, so do we need a motion to pass the
15 resolution?

16 MR. PAPY: It seems to me you could
17 make a motion to endorse it and support
18 it.

19 COMMISSIONER MALAKOFF: I move the
20 item to move forward with this ordinance
21 amending Chapter 18 of the city code
22 entitled "Businesses," and adding this to
23 it.

24 COMMISSIONER ALEMAN: I second it.

25 COMMISSIONER ARRIOLA: Okay. Passes

1 unanimously.

2 To the three young men -- to the
3 three young men that were bold enough to
4 come up and speak, we have something for
5 you, come on up.

6 (Thereupon, the meeting was
7 concluded at 2:53 p.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA :

COUNTY OF MIAMI-DADE :

I, Matthew J. Haas, shorthand
reporter, do hereby certify that I was authorized
to and did stenographically report the foregoing
proceedings and that the transcript is a true and
complete record of my stenographic notes.

Dated this 5th day of June, 2016.



MATTHEW J. HAAS
Court reporter



Testimony of Laura Huizar

National Employment Law Project

Increasing the Minimum Wage in Miami Beach

Hearing before the City of Miami Beach Finance and Citywide Projects Committee

June 3, 2016

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Good afternoon and thank you for the opportunity to testify today. My name is Laura Huizar, and I am a staff attorney at the National Employment Law Project (NELP).

NELP is a non-profit, non-partisan research and advocacy organization specializing in employment policy. We are based in New York with offices across the country, and we partner with federal, state, and local lawmakers on a wide range of workforce issues. I am based in our D.C. office.

Across the country, our staff are recognized as policy experts in areas such as unemployment insurance, wage and hour enforcement, and, as is relevant for today's hearing, the minimum wage. We have worked with dozens of city councils and state legislatures across the country and with the U.S. Congress on measures to boost pay for low-wage workers. NELP has worked with most of the cities in the United States that have adopted higher city minimum wages in recent years and is familiar with their economic experiences.

NELP testifies today in support of increasing the City of Miami Beach's minimum wage to \$13.31 per hour by 2020, as Mayor Philip Levine has proposed. In response to declining wages for low-wage workers across the country, as well as state and federal minimum wage rates that fail to provide for a basic standard of living, the number of cities throughout the country that have increased their minimum wage has grown significantly in recent years. In 2003, only two cities, Santa Fe, New Mexico, and San Francisco, had enacted local minimum wage laws. Between 2013 and 2014, almost twenty cities enacted their own higher minimum wage, and to date, thirty-eight cities have done so.¹

Cities and states are also increasingly adopting minimum wage rates at or near \$15 per hour. California and New York approved a statewide \$15 minimum wage earlier this year. SeaTac, Washington, which was the first city to adopt a \$15 minimum wage, did so in 2013. San Francisco Mayor Ed Lee brokered an agreement between labor and business to place a \$15 minimum wage on the November 2014 ballot, which the voters overwhelmingly approved, and the Los Angeles city council approved a \$15 minimum wage in June of last year. Chicago adopted minimum wage legislation in 2014 that would raise the city's minimum wage to \$13 per hour by 2019. Oregon also enacted legislation earlier this year that would raise the state's minimum wage to \$12.50, \$13.50, or \$14.75 by 2022, depending on the region. A full list of recent minimum wage increases can be found at the Raise the Minimum Wage website.²

The most rigorous modern research on the impact of raising minimum wages shows that raises increase worker earnings with negligible adverse impact on employment levels. As more and more U.S. cities enact local minimum wages, the research has similarly shown that such local measures have no adverse effect on jobs, and implementation of higher local wages has proven manageable for employers. The benefits for low-wage workers and their families of higher wages have been very significant, raising wages in the face of broader economic trends that have led to stagnant and falling wages across the bottom of our economy, reducing economic hardship, lifting workers out of poverty, and improving other life outcomes.

Low paying industries are disproportionately fueling job growth today, with more and more adults spending their careers in these positions. Raising the wage floor, which has badly eroded over the decades even as corporate profits have skyrocketed, is urgently needed to ensure that local economies can rely on workers' spending power to recover and that the growing numbers of workers relying on low wages to make ends meet can contribute fully to this recovery.

Raising the minimum wage across the country, including in Miami Beach, would go a long way toward restoring the minimum wage to where it was at its peak, when unemployment rates were low, the minimum wage reflected much higher purchasing power, and the minimum wage was equal to half of what the median worker earned.

Who Would Benefit From A Higher Minimum Wage in Miami Beach?

The cost of living in Miami Beach substantially exceeds the cost of living in most other parts of Florida and ranks among the highest in the country.³ A single worker in the Miami/Miami Beach/Kendall metro area with no children needs at least \$31,354 per year—or at least \$15 per hour working full time—to get by.⁴ A single worker with one child requires \$52,068, or more than \$25 per hour, for basic living costs.⁵

The Growing List of Cities and States Enacting Minimum Wage Increases Reflects a Deepening Wage Crisis and Popular Support for Bold Change

The U.S. economy has seen steady growth and improvement in the unemployment rate in recent years, but wages have been flat or declining for much of the labor force.⁶ Averaged across all occupations, real median hourly wages declined by 4 percent from 2009 to 2014, and lower-wage occupations experienced greater declines in their real wages than did higher-wage occupations.⁷ Moreover, job growth over the past year—and in the recovery overall—continues to be unbalanced, with especially pronounced job gains in lower-wage industries and slow growth in mid-wage industries. There are approximately 1.2 million fewer jobs in mid and higher-wage industries than there were prior to the recession, while there are 2.3 million more jobs in lower-wage industries.⁸ Thus, low-wage workers and families are being squeezed between flat pay and rising living costs.

The worsening prospects and opportunities for low-wage workers have prompted a record number of cities, counties, and states to enact higher minimum wage rates for their residents. Since November 2012, nearly 17 million workers throughout the country have earned wage increases through a combination of states and cities raising their minimum wage rates; executive orders by city, state and federal leaders; and individual companies raising their pay scales.⁹ Of those workers, nearly 10 million will receive gradual raises to \$15 per hour.¹⁰ More than fifty cities and states have raised their minimum wage since 2012.¹¹

As the Fight for \$15 movement gathers strength, advocates in a rapidly growing list of localities and states are calling for a \$15 minimum wage. Los Angeles, San Francisco, Seattle, SeaTac, Washington, and Emeryville, California, have already enacted a \$15 minimum wage for all workers.¹² New York and California approved a statewide \$15 minimum wage earlier this year.¹³ More than a dozen cities and counties are currently pushing for a \$15 minimum, and the list of states considering the same is rapidly expanding.¹⁴ States now considering legislative proposals and/or ballot initiatives that would raise the statewide minimum wage to \$15 include Missouri and New Jersey.¹⁵

Recent polling data shows that approximately two out of three individuals support a \$15 minimum wage, and support among low-wage workers is even higher.¹⁶ A poll of low-wage workers commissioned by NELP found that approximately 75 percent of low-wage workers support a \$15 minimum wage and a union.¹⁷ It also found that 69 percent of unregistered respondents would register to vote if there were a presidential candidate who supported raising the minimum wage to \$15 and making it easier for workers to join a union, and 65 percent of registered voters reported that they are more likely to vote if a candidate supports \$15 and a union for all workers.¹⁸

The trend in localities and states pushing for higher minimum wage rates will likely continue to intensify as wages continue to decline, inequality remains at historically high levels, and the federal government fails to take bold action to ensure that hard-working individuals can make ends meet.

Higher Wages from Minimum Wage Increases Have Very Significant Beneficial Effects for Low-Income Individuals and Households

The higher incomes that result from minimum wage increases have very direct and tangible impacts on the lives of the workers affected and their families. Significant increases in minimum wages have proven an effective strategy for addressing declining wages and opportunity for low-wage workers by raising pay broadly across the bottom of the city economy. For example, over the decade that San Francisco's strong minimum wage has been in effect, it has raised pay by more than \$1.2 billion for more than 55,000 workers, and it has permanently raised citywide pay rates for the bottom 10 percent of the labor force.¹⁹ The widely recognized success of San Francisco's minimum wage led Mayor Ed Lee to broker an agreement with business and labor to place an increase to \$15 on the November 2014 ballot, which the voters overwhelmingly approved.

The higher pay resulting from minimum wage increases translates to a range of other important improvements in the lives of struggling low-paid workers and their households. For workers with the very lowest incomes, studies show that minimum wage increases lift workers and their families out of poverty.²⁰ Similarly, higher incomes for low-wage workers and their households translate to improved educational attainment and health. For example, a recent study by the National Institutes of Health determined that "[a]n additional \$4000 per year for the poorest households increases educational attainment by one year at age 21."²¹ Another study found that raising California's minimum wage to \$13 per hour by 2017 "would significantly benefit health and well-being."²² It stated that "Californians would experience fewer chronic diseases and disabilities; less hunger, smoking and obesity; and lower rates of depression and bipolar illness."²³ Moreover, "[i]n the long run, raising the minimum wage would prevent the premature deaths of hundreds of lower-income Californians each year."²⁴ Yet another study found that high dropout rates among low-income children can be linked to parents' low-wage jobs and that youth in low-income families have a greater likelihood of experiencing health problems.²⁵

The Most Rigorous Research Shows That Higher Minimum Wages Raise Worker Incomes without Reducing Employment

The most rigorous research over the past 20 years—examining scores of state and local minimum wage increases across the U.S.—demonstrates that these increases have raised workers' incomes *without* reducing employment. This substantial weight of scholarly evidence reflects a significant shift in the views of the economics profession, away from a former view that higher minimum wages cost jobs. As Bloomberg News summarized in 2012:

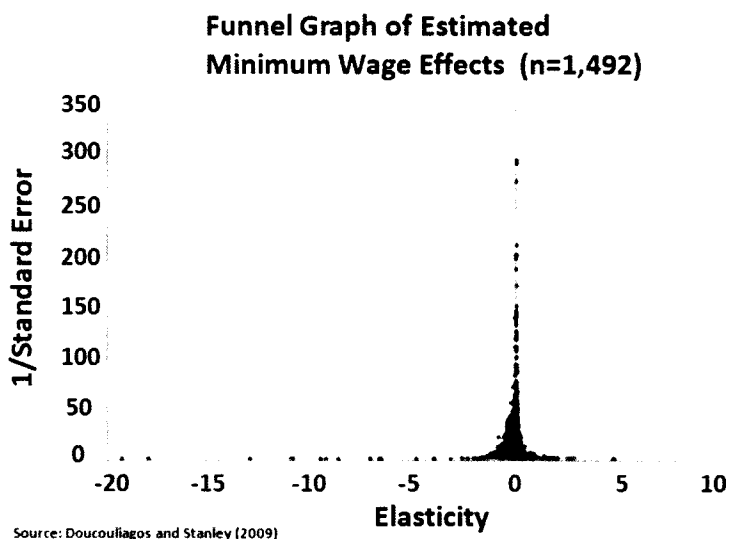
[A] wave of new economic research is disproving those arguments about job losses and youth employment. Previous studies tended not to control for regional economic trends that were already affecting employment levels, such as a manufacturing-dependent state that was shedding jobs. The new research looks at micro-level employment patterns for a more accurate employment picture. The studies find minimum-wage increases even provide an economic

boost, albeit a small one, as strapped workers immediately spend their raises.²⁶

The most sophisticated of the new wave of minimum wage studies, “Minimum Wage Effects Across State Borders,” was published in 2010 by economists at the Universities of California, Massachusetts, and North Carolina in the prestigious *Review of Economics and Statistics*.²⁷ That study carefully analyzed minimum wage impacts across state borders by comparing employment patterns in more than 250 pairs of neighboring counties in the U.S. that had different minimum wage rates between 1990 and 2006. The study’s innovative approach of comparing neighboring counties on either side of a state line is generally recognized as especially effective at isolating the true impact of minimum wage differences, since neighboring counties otherwise tend to have very similar economic conditions, and the study has been lauded as state-of-the-art by the nation’s top labor economists, such as Harvard’s Lawrence Katz, MIT’s David Autor, and MIT’s Michael Greenstone. (By contrast, studies often cited by the opponents of raising the minimum wage that compare one state to another—and especially those comparing states in different regions of the U.S.—cannot as effectively isolate the impact of the minimum wage, because different states face different economic conditions, of which varying minimum wage rates is but one.)

Consistent with a long line of similar research, the Dube, Lester, and Reich study found no difference in job growth rates in the data from the 250 pairs of neighboring counties—such as Washington State’s Spokane County compared with Idaho’s Kootenai County where the minimum wage was substantially lower—and found no evidence that higher minimum wages harmed states’ competitiveness by pushing businesses across the state line.²⁸

However, it is not simply individual state-of-the-art studies, but the whole body of the most rigorous modern research on the minimum wage that now indicates that higher minimum wages have had little impact on employment levels. This is most clearly demonstrated by several recent “meta-studies” surveying research in the field. For example, a meta-study of 64 studies of the impact of minimum wage increases published in the *British Journal of Industrial Relations* in 2009 shows that the bulk of the studies find close to no impact on employment.²⁹ This is vividly illustrated by a graph from the meta-study showing the results clustered around zero:



Another recent meta-study by Paul Wolfson and Dale Belman of the minimum wage literature demonstrates similar results.³⁰

Further underscoring how minimum wage increases are simply not a major factor affecting job growth, economists at the Center for Economic & Policy Research and Goldman Sachs have noted that the U.S. states that have raised their minimum wages above the minimal federal level are enjoying stronger job growth than those that have not.³¹

The Evidence from Cities, in Particular, That Have Adopted Significantly Higher Local Minimum Wages Similarly Shows That They Have Not Cost Jobs and That Implementation Has Proven Manageable for Employers

The experiences of cities with higher local minimum wages—and the most rigorous economic research on the impact of city wage laws—have shown that they have raised wages broadly without slowing job growth or hurting local employers.

The two U.S. cities that have had higher local minimum wages for the longest period are San Francisco, California, and Santa Fe, New Mexico. Both adopted significantly higher local minimum wages in 2003 and the impact of the minimum wages has been the subject of sophisticated economic impact studies. In San Francisco, a 2007 study by University of California researchers gathered employment and hours data from restaurants in San Francisco as well as from surrounding counties that were not covered by the higher minimum wage and found that the higher wage had not led San Francisco employers to reduce either their employment levels or employee hours worked.³² A follow-up 2014 study examined the combined impact on San Francisco employers of the city's minimum wage ordinance and of other city compensation mandates that cumulatively raised employment costs 80 percent above the level of the federal minimum wage. The study again found no adverse effect on employment levels or hours, and found that food service jobs—the sector most heavily affected—actually grew about 17 percent faster in San Francisco than in surrounding counties during that period.³³

In Santa Fe, a similar 2006 study conducted after the city raised its minimum wage 65 percent above the state rate compared job growth in Santa Fe with that in Albuquerque (which at that time did not have a higher city minimum wage). It determined that “[o]verall, . . . the living wage had no discernible impact on employment per firm, and that Santa Fe actually did better than Albuquerque in terms of employment changes.”³⁴

A sophisticated 2011 study of higher minimum wages in San Francisco, Santa Fe, and Washington, D.C., compared employment impacts to control groups in surrounding suburbs and cities. It similarly found that “[t]he results for fast food, food services, retail, and low-wage establishments . . . support the view that citywide minimum wages can raise the earnings of low-wage workers, without a discernible impact on their employment”³⁵

In addition, the actual experiences of cities that have recently raised the minimum wage at the local level have shown that such increases have been manageable. For example, in San Jose, California, business groups made similar predictions before voters in 2012 approved raising the city's minimum wage. But the actual results did not bear out those fears. As the *Wall Street Journal* reported, “[f]ast-food hiring in the region accelerated once the higher wage was in place. By early [2014], the pace of employment gains in the San Jose area beat the improvement in the entire state of California.”³⁶ USA

Today similarly found, “[i]nterviews with San Jose workers, businesses and industry officials show [the city minimum wage] has improved the lives of affected employees while imposing minimal costs on employers.”³⁷

The same pattern of dire predictions followed by manageable real world implementation was repeated when SeaTac, Washington, phased in its \$15 minimum wage—the nation’s first at that level. As *The Seattle Times* reported, “[f]or all the political uproar it caused, SeaTac’s closely watched experiment with a \$15 minimum wage has not created a large chain reaction of lost jobs and higher prices”³⁸ *The Washington Post* similarly reported that “[t]hose who opposed the \$15 wage in SeaTac and Seattle admit that there has been no calamity so far,” and highlighted how even though Tom Douglas, a Seattle restaurateur, stated in April 2014 that a \$15 wage could “be the most serious threat to our ability to compete” and that he “would lose maybe a quarter of the restaurants in town,” as of September 2014, he had opened, or announced, five new restaurants that year.³⁹

In Seattle, while many business owners supported the increase, other business owners predicted that increasing the city’s minimum wage to \$15 would lead to dramatic job losses for restaurants and strain on small businesses. An article by the *Puget Sound Business Journal* reported in October 2015 that the restaurant business in Seattle is, in fact, booming.⁴⁰ More recent reports confirm that neither the city’s economy nor the restaurant industry has suffered.⁴¹ A few months after Seattle began phasing in its minimum wage, the region’s unemployment rate hit an eight-year low of 3.6 percent, significantly lower than the state unemployment rate of 5.3 percent.⁴² Since Seattle passed its trailblazing \$15 minimum wage, the number of food services and beverage industry business licenses issued in the city has increased by 6 percent.⁴³

Low Wages Paid By Large Profitable Employers Present a Significant Cost to the Public by Forcing Workers to Rely on Public Assistance in Order to Afford Basic Necessities

Nationally, nearly three quarters (73 percent) of enrollments in America’s major public benefits programs are from working families. With wages that leave their earnings below subsistence levels, these workers must rely on additional support from programs like the Supplemental Nutrition Assistance Program (SNAP), Medicaid, Children’s Health Insurance Programs, and the Earned Income Tax Credit (EITC) in order to afford basics like food, housing, and health care.

Data available for some of the largest employers in the retail and fast-food industries indicate that the low wages paid by profitable companies like Walmart and McDonald’s entail substantial costs for the public, as a whole.

A 2013 report from the Democratic Staff of the U.S. House Committee on Education and the Workforce estimates that low wages paid at a single Walmart supercenter cost taxpayers between \$900,000 and \$1.7 million on average per year.⁴⁴

Similarly, a 2013 study from the University of California-Berkeley found that the low wages paid by companies in the fast-food industry cost taxpayers an average of \$7 billion per year.⁴⁵ A companion study from NELP found that the bulk of these costs stem from the ten largest fast-food chains, which account for an estimated \$3.9 billion per year in public costs.⁴⁶

Thank you so much for the opportunity to testify today. I would be happy to answer any questions that you may have.

For more information, please contact NELP Staff Attorney Laura Huizar at luhuizar@nelp.org. For more about NELP, visit www.nelp.org or www.raisetheminimumwage.org.

¹ National Employment Law Project, City Minimum Wage Laws: Recent Trends and Economic Evidence (Apr. 2016), *available at* <http://www.nelp.org/content/uploads/City-Minimum-Wage-Laws-Recent-Trends-Economic-Evidence.pdf>; Raise the Minimum Wage, Local Minimum Wage Laws and Current Campaigns, <http://www.raisetheminimumwage.com/pages/local-minimum-wage> (last viewed Jun. 1, 2016).

² Raise the Minimum Wage, Campaigns, <http://www.raisetheminimumwage.com/pages/campaigns/> (last viewed May 31, 2016).

³ Economic Policy Institute, Family Budget Map, <http://www.epi.org/resources/budget/budget-map/> (last viewed May 31, 2016).

⁴ Economic Policy Institute, Family Budget Calculator, <http://www.epi.org/resources/budget/> (last viewed May 31, 2016).

⁵ *Id.*

⁶ National Employment Law Project, Occupational Wage Declines Since the Great Recession (Sept. 2015), *available at* <http://www.nelp.org/content/uploads/Occupational-Wage-Declines-Since-the-Great-Recession.pdf>.

⁷ *Id.*

⁸ National Employment Law Project, An Unbalanced Recovery: Real Wage and Job Growth Trends (Aug. 2014), *available at* <https://www.nelp.org/content/uploads/2015/03/Unbalanced-Recovery-Real-Wage-Job-Growth-Trends-August-2014.pdf>.

⁹ National Employment Law Project, Fight for \$15 Impact Report: Raises for 17 Million Workers, 10 Million Going to \$15 (Apr. 2016), *available at* <http://www.nelp.org/content/uploads/NELP-Fact-Sheet-Fight-for-15-Impact-Report.pdf>.

¹⁰ *Id.*

¹¹ *Id.*

¹² Raise the Minimum Wage, \$15 Laws & Current Campaigns, <http://raisetheminimumwage.org/pages/15-Laws-Current-Campaigns> (last viewed May 26, 2016).

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ Hart Research, Support for a Federal Minimum Wage of \$12.50 or above (Jan. 2015), *available at* <http://www.nelp.org/content/uploads/2015/03/Minimum-Wage-Poll-Memo-Jan-2015.pdf>.

¹⁷ Victoria Research, Results of National Poll of Workers Paid Less than \$15 Per Hour (Oct. 2015), *available at* <http://www.nelp.org/content/uploads/Low-Wage-Worker-Survey-Memo-October-2015.pdf>.

¹⁸ *Id.*

¹⁹ Michael Reich et al (eds.), University of California Press, When Mandates Work: Raising Labor Standards at the Local Level (2014), *available at* <http://irle.berkeley.edu/publications/when-mandates-work/>.

²⁰ Arindrajit Dube, Minimum Wages and the Distribution of Family Incomes (Dec. 2013) at 31, *available at* https://dl.dropboxusercontent.com/u/15038936/Dube_MinimumWagesFamilyIncomes.pdf (“I find robust evidence that minimum wages tend to reduce the incidence of poverty, and also proportions with incomes under one-half or three-quarters of the poverty line”).

²¹ William Copeland & Elizabeth J. Costello, Am. Econ. J. Appl. Econ., Parents’ Incomes and Children’s Outcomes: A Quasi-Experiment (Jan. 2010) at 1.

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- ²² Rajiv Bhatia, Human Impact Partners, Health Impacts of Raising California's Minimum Wage (May 2014) at 3, *available at* http://healthpolicy.ucla.edu/publications/Documents/PDF/2014/SB935_HealthAnalysis.pdf.
- ²³ *Id.*
- ²⁴ *Id.*
- ²⁵ Lisa Dodson & Randy Albelda, Center for Social Policy, Univ. of Mass., Boston, How Youth Are Put at Risk by Parents' Low-Wage Jobs (Fall 2012) at 9–13.
- ²⁶ Editorial Board, "Raise the Minimum Wage," *BloombergView* (Apr. 18, 2012), *available at* <http://www.bloomberg.com/news/2012-04-16/u-s-minimum-wage-lower-than-in-lbj-era-needs-a-raise.html>.
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- ²⁸ Similar, sophisticated new research has also focused in particular on teen workers—a very small segment of the low-wage workforce affected by minimum wage increases, but one that is presumed to be especially vulnerable to displacement because of their lack of job tenure and experience. However, the research has similarly found no evidence that minimum wage increases in the U.S. in recent years have had any adverse effect on teen employment. See Sylvia Allegretto et al, Industrial Relations, Do Minimum Wages Reduce Teen Employment? (Apr. 2011) at vol. 50, no. 2. A NELP Summary is *available at* http://nelp.3cdn.net/eb5df32f3af67ae91b_65m6iv7eb.pdf.
- ²⁹ Hristos Doucouliagos & T.D. Stanley, British J. of Indus. Relations, Publication Selection Bias in Minimum-Wage Research? A Meta-Regression Analysis (May 2009) at Vol. 47, Iss. 2.
- ³⁰ Paul Wolfson & Dale Belman, Upjohn Inst. for Employ. Res., What Does the Minimum Wage Do? (2014).
- ³¹ Center for Economic & Policy Research, 2014 Job Creation Faster in States that Raised the Minimum Wage (June 2014), *available at* <http://www.cepr.net/index.php/blogs/cepr-blog/2014-job-creation-in-states-that-raised-the-minimum-wage>.
- ³² Michael Reich et al, Univ. of Calif.-Berkeley, The Economic Effects of a Citywide Minimum Wage (2007), *available at* http://www.irl.berkeley.edu/cwed/wp/economicimpacts_07.pdf.
- ³³ Michael Reich et al (eds.), Univ. of Calif. Press, "When Mandates Work: Raising Labor Standards at the Local Level," (2014) at 31, *available at* <http://irl.berkeley.edu/publications/when-mandates-work/>. See also Susan Berfield, San Francisco's Higher Minimum Wage Hasn't Hurt the Economy, *BloombergBusiness* (Jan. 2014), *available at* <http://www.businessweek.com/articles/2014-01-22/san-franciscos-higher-minimum-wage-hasnt-hurt-the-economy>; Carolyn Lochhead, S.F. praised as model for U.S. on increasing minimum wage, Jan. 28, 2014, *SF Gate*, *available at* <http://www.sfgate.com/politics/article/S-F-praised-as-model-for-U-S-on-increasing-5183378.php>.
- ³⁴ Bureau of Business and Economic Research, University of New Mexico, Measuring the Employment Impacts of the Living Wage Ordinance in Santa Fe, New Mexico (June 2006), *available at* <http://bber.unm.edu/pubs/EmploymentLivingWageAnalysis.pdf>.
- ³⁵ John Schmitt & David Rosnick, Center for Econ. & Policy Research, The Wage and Employment Impact of Minimum-Wage Laws in Three Cities (Mar. 2011) at 1, *available at* <http://www.cepr.net/documents/publications/min-wage-2011-03.pdf>. For a helpful overview of this literature on the impact of city minimum wages, see Michael Reich et al, Local Minimum Wage Laws: Impacts on Workers, Families and Businesses: Report prepared for the Seattle Income Inequality Advisory Committee (Mar. 2014) at 17–19, *available at* <http://murray.seattle.gov/wp-content/uploads/2014/03/UC-Berkeley-IIAC-Report-3-20-2014.pdf>.
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⁴⁰ Jeanine Stewart, Apocalypse Not: \$15 and the cuts that never came, Oct. 23, 2015, *Puget Sound Business Journal*, available at <http://www.bizjournals.com/seattle/print-edition/2015/10/23/apocalypse-not-15-and-the-cuts-that-never-came.html>.

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⁴⁶ National Employment Law Project, Super-sizing Public Costs: How Low Wages at Top Fast-Food Chains Leave Taxpayers Footing the Bill (Oct. 2013), available at <http://www.nelp.org/content/uploads/2015/03/NELP-Super-Sizing-Public-Costs-Fast-Food-Report.pdf>.

How to Increase Your Minimum Wage Book

Herbert Goldstein, M.A.

What's the Minimum Wage?

- o The Federal minimum wage is \$7.25 since 2009.
- o 2004 Florida passes Minimum Wage Amendment.
- o 2005 went into effect at \$6.15 per hour.
- o The Florida minimum wage in 2016 is \$8.05.
- o Since 2005 or in 11 years, Florida has only raised the state's minimum wage by \$1.90
- o In 2016, a minimum wage worker earns \$16,744 a year if working 40 hours a week for 52 weeks (2,080 total hours, before taxes).

Cost of Living

- A recent cost of living study found that Miami residents would need to earn an annual salary of \$77,000 per year to “live comfortably”
- This study focused on living expenses such as: rent, groceries, utilities, transportation, and healthcare.
- This salary is the 6th most in the country.
- The results also showed Miami's median income of just under \$31,000 is about \$46,000 short of that number.
- For a minimum wage worker, that's \$60,256 short of \$77,000.

Cost of Living

Miami-Dade County Annual and Hourly Cost of Living Estimates by Household Composition: 2016 (in 2014 dollars)

Adults	No Children		1 Child		2 Children		3 Children	
	Annual	Living Wage	Annual	Living Wage	Annual	Living Wage	Annual	Living Wage
1 Adult	\$23,820	\$11.45	\$50,114	\$24.09	\$58,584	\$28.17	\$74,117	\$35.63
2 Adults	\$38,426	\$18.47	\$47,224	\$22.70	\$52,417	\$25.20	\$59,388	\$28.55

In Miami Beach:

Is 22% higher than the Florida average

Is 24% higher than the national average

The **cost of housing** in Miami Beach is 65% higher than the national average.

Minimum Wage Worker's Minimum Deductible

- Monthly rent for (900 Sqft) is \$1,481
- Monthly rent for (480 Sqft) is \$1,053
- Annual cost of rent is: \$12,636 (not including deposit)

\$16,744 (before taxes)

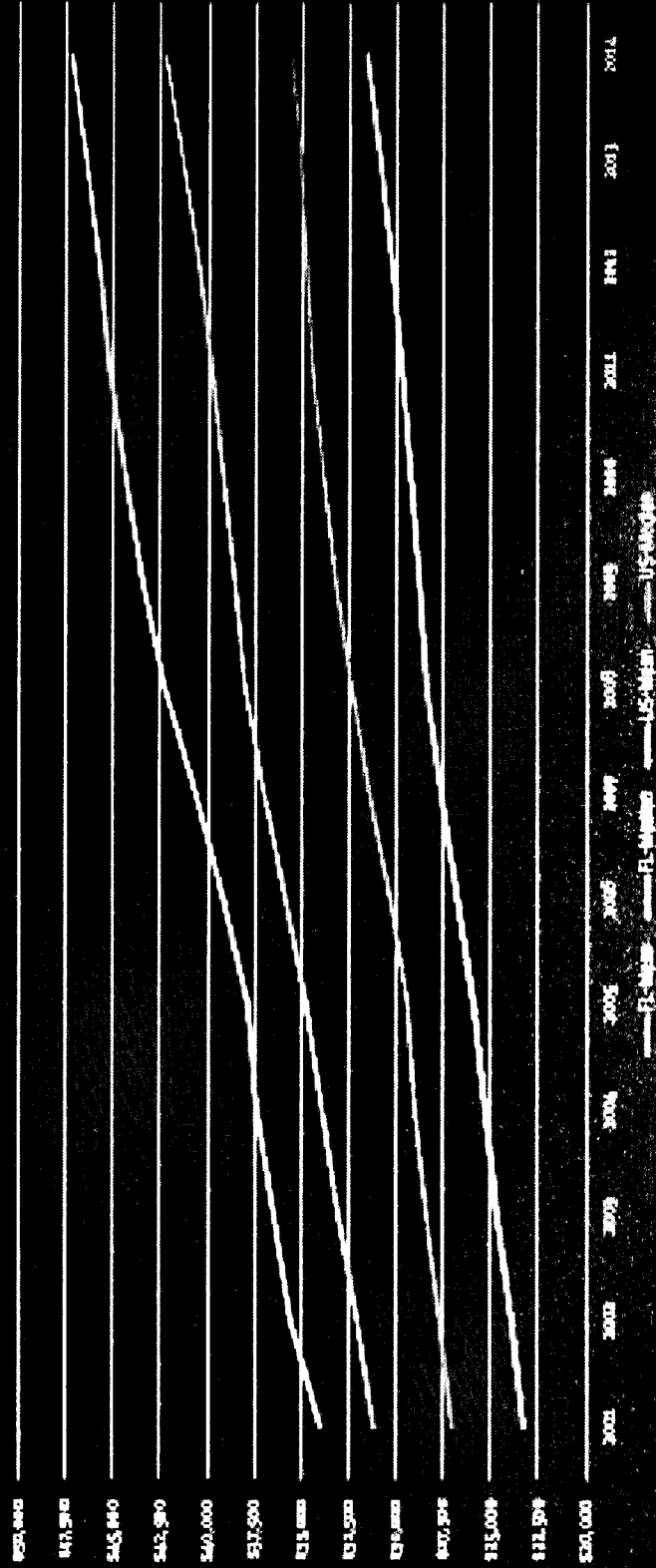
075% of a minimum wage worker's salary in 2016.

Income Inequality in Miami MSA

- In 2016 Miami's MSA ranked #8 in income inequality nationwide.
- The wealthiest 5% of people make 10.2 times more than the poorest 20% on average.
- The gap is even wider in the larger South Florida region, where the richest sector earns 15 times more than the most impoverished.
- Globally the Miami's income inequality is higher than in Buenos Aires and Rio de Janeiro and mirrors Mexico City's level.
- According to a Bloomberg analysis, Miami is the toughest city for low-wage workers to increase upward social mobility.

Inequality in Florida

2001-14 Florida's Mean and Median Annual Wages
Total/All Occupations, All Industries (in 2014 Dollars)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program (LAUS) - Prepared by Florida Department of Economic Opportunity, Bureau of Labor Market Statistics, released Friday, June 19, 2016.

Median Annual Wage and Wage Disparity by Race/Ethnicity, 1980-2014 (2014 dollars)					
Race / ethnicity	White	African American	Hispanic	White-Black Wage Disparity	White-Hispanic Wage Disparity
1980	\$ 29,557	\$ 23,005	\$ 24,794	\$ 6,552	\$ 4,763
1985	\$ 30,430	\$ 23,650	\$ 26,104	\$ 6,781	\$ 4,326
1990	\$ 31,054	\$ 24,378	\$ 25,126	\$ 6,677	\$ 5,928
1995	\$ 32,178	\$ 25,355	\$ 25,272	\$ 6,822	\$ 6,906
2000	\$ 35,818	\$ 27,810	\$ 25,542	\$ 8,008	\$ 10,275
2001	\$ 36,712	\$ 27,248	\$ 26,520	\$ 9,464	\$ 10,192
2005	\$ 37,939	\$ 27,726	\$ 28,018	\$ 10,213	\$ 9,922
2010	\$ 39,894	\$ 28,995	\$ 30,826	\$ 10,899	\$ 9,069
2014	\$ 37,149	\$ 27,851	\$ 30,347	\$ 9,298	\$ 6,802
% Change 1980-2014	26%	21%	22%	42%	43%

Social Mobility

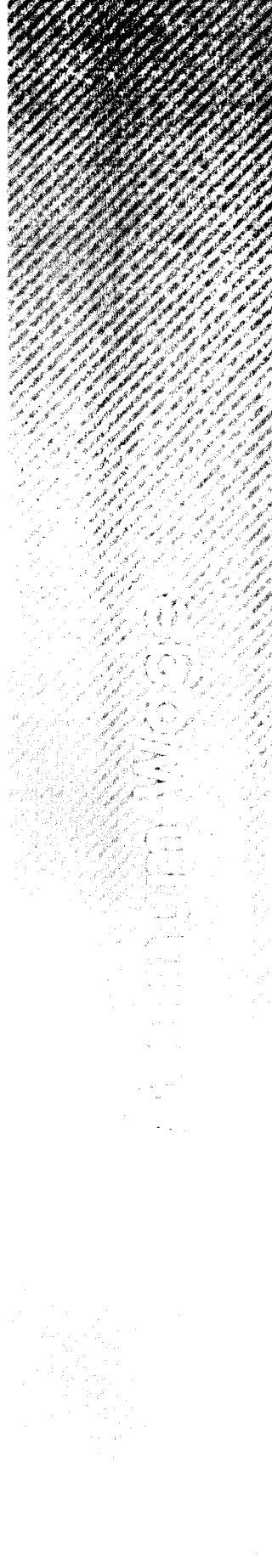
- Historically, poverty rates for women in Florida have been higher than those of men and higher than the overall poverty rate for the entire population.
- Between 1980 and 2014, median annual wage inequality grew from \$6552 to \$9,298, a gap increase of 42% between white and African-American workers. During the same years, the white-Hispanic median annual wage disparity grew by 43%.
- Minorities experienced higher levels of poverty when compared to the white population. African-Americans experienced the highest poverty rates which have been above 20% historically. The Hispanic/Latino population experienced lower levels of poverty, nevertheless, still in the double digits.

Wage Mobility

- On average, the four lowest paying industries in Florida were Retail Trade; Agriculture, Forestry, Fishing and Hunting; Leisure and Hospitality; and Food Services. These industries offer many opportunities to enter or reenter the labor market and have possibilities for career advancement at the management level.
- In 2014, there were 3.2 million or 22% of the labor force working in these industries in Florida. It is important to note that these industries comprise a significant portion of Florida's economy.



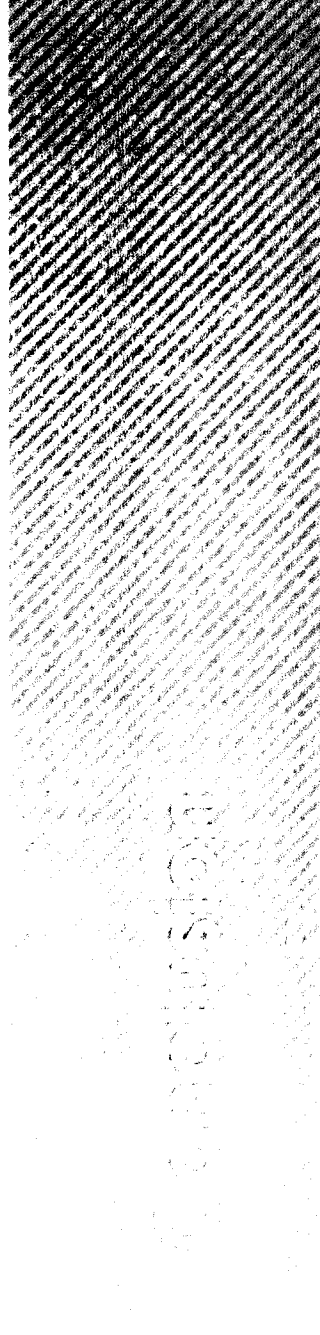
- Historically, the lowest paying industries in Florida have paid annual wages below \$30,000.
- The largest growing sector of jobs in Florida are in the low-wage sectors like hospitality and tourism.
- Florida general sales tax is 18% higher than the national average.
- Florida state income tax is 100% lower than the national average.
- The Florida Retail Federation boosts record earnings year after year.



- Job losses from raising the minimum wage are negligible. Minimum wage has already been raised 23 times with no detriment to the economy
- June 2014 survey found that more than 3 out of 5 small business owners support increasing the minimum wage to \$10.10.
- The real value of the minimum wage has fallen dramatically. Since the minimum wage was last raised in 2009, the price of apples went up 16%, bacon 67%, cheddar cheese 21%, coffee 27%, ground beef 39%, and milk 21%.
- Low minimum wage laws are government subsidies to low wage businesses.

Minimum Wage

- Worker productivity has gone up much faster than wages. Using the 1968 minimum wage as benchmark, if minimum wage grew at same rate as worker productivity it would have reached \$21.72 per hour.
- Raising the minimum wage to \$10 would impact over 15 million workers. Four million seven hundred thousand working mothers "would get a raise if we raise it to \$10.10." As would 2.6 million working dads for a total of 7 million parents.
- There is widespread bipartisan support for raising the minimum wage. In a 2015 poll, "75% of Americans, including 53% of Republicans, support raising the minimum wage to \$12.50" by 2020.
- it would increase consumer purchasing power and reduce employee turnover



O In 2016, a minimum wage worker earns \$16,744 a year if working 40 hours a week for 52 weeks (2,080 total hours, before taxes).

\$16,744

O If raised to \$13.31 per hour then the annual salary would be **\$27,684.80** (before taxes)

MIAMI BEACH

CITY OF MIAMI BEACH NOTICE OF PUBLIC HEARINGS JUNE 8, 2016

NOTICE IS HEREBY given that public hearings will be held by the Mayor and City Commissioners of the City of Miami Beach, Florida, in the Commission Chamber, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida, on **Wednesday, June 8, 2016**, at the times listed, or as soon thereafter as the matter can be heard, to consider:

10:25 a.m.
An Ordinance Amending Chapter 18 Of The City Code, Entitled "Businesses," By Adding Article XVII, Entitled "City Minimum Living Wage," To Provide For Implementation Of A City-Wide Minimum Hourly Wage; And Amending Chapter 102 Of The City Code, Entitled "Taxation," By Amending Section 102-371, Entitled "Application Procedures[.]" By Adding A Subsection Entitled "(J) Compliance With City Minimum Living Wage" And Providing For Repealer, Severability, Codification, And An Effective Date. *This Ordinance is being heard pursuant to Section 2.05 of the City Charter and §166.041 F.S. Inquiries may be directed to the Office of the City Attorney at 305.673.7470.*

10:30 a.m.
An Ordinance Pertaining To The Subject Of A Six (6) Month Moratorium For The Two National Register Historic Districts Contained Within The North Beach Master Plan Study Area With The Following General Boundaries: (1) The "North Shore National Register District," Generally Bounded By 73rd Street To The South, Dickens Avenue, Hawthorne Avenue And Crespil Boulevard To The West, 87th Street To The North, And Collins Court To The East; And (2) "Normandy Isles National Register District," Generally Bounded By Biscayne Bay To The South, Ray Street, Rue Notre Dame And Rue Versailles To The West, Normandy Shores Golf Course To The North, And The Western Bulkhead Of Indian Creek To The East; Imposing A Temporary Moratorium Upon The Receipt Of Or Processing Of Applications, Permits Or Pending Approvals Pertaining To Demolition Of Contributing Structures Within The Two National Register Historic Districts Within The North Beach Master Plan Study Area; Providing For An Effective Date Retroactive To June 8, 2016; For Zoning In Progress Purposes, This Ordinance Shall Be Effective Upon First Reading Of This Ordinance, And No Applications For Demolition Within The Designated Area Shall Be Accepted By The City; Providing For Exceptions; Providing For Severability; Repeal Of Conflicting Ordinance Provisions; And Providing For An Expiration Date. *This Ordinance is being heard pursuant to Section 2.05 of the City Charter and §166.041 F.S. Inquiries may be directed to the Planning Department at 305.673.7550.*

10:35 a.m.
A Resolution Authorizing A Waiver From The Land Development Regulations, By A 5/7 Vote Of The City Commission, After Public Hearing, Pursuant To Section 142-425(d) And (e), Of The City's Code, For The Allison Park Project, Located At 6475 Collins Avenue In Order To Obtain A Waiver Of Section 142-802(3), Of The City Code, In Order To Reduce The Required Rear Setback From 10 Feet From The Bulkhead Line To Ten (10) Inches, In Order To Construct A Permanent Bench Structure As Part Of The Proposed Playground Design. *This Resolution is being heard pursuant to Section 142-145 of the City's Land Development Code. Inquiries may be directed to the Capital Improvement Projects Department at 305.673.7071 and/or the Office of the City Attorney at 305.673.7470.*

10:40 a.m.
A Resolution Adopting The Sixth Amendment To The Capital Budget For Fiscal Year 2015/16. *This Resolution is being heard pursuant to Section 166.041 F.S. Inquiries may be directed to Budget & Performance Improvement Department at 305.673.7510.*

5:01 p.m.
An Ordinance Amending The Land Development Regulations Of The Code Of The City Of Miami Beach, By Amending Chapter 142, "Zoning Districts And Regulations," Article III "Overlay Districts," Creating Division 10 "Ocean Terrace Overlay," To Modify The Applicable Setbacks And Allowable Encroachments, Increase The Allowable Height To 235 Feet For Residential Uses And 125 Feet For Hotel Uses, To Limit The Maximum Floorplate Of The Tower Portion Of New Buildings, To Provide A Minimum Building Separation For The Tower Portion Of New Buildings, To Modify The Allowable Main, Conditional, Accessory And Prohibited Uses; Providing For Repealer; Severability; Codification; And An Effective Date. *This Ordinance is being heard pursuant to Section 118-164 of the City's Land Development Code. Inquiries may be directed to the Planning Department at 305.673.7550.*

INTERESTED PARTIES are invited to appear at this meeting, or be represented by an agent, or to express their views in writing addressed to the City Commission, c/o the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. These items are available for public inspection during normal business hours in the Office of the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This meeting, or any item herein, may be continued, and under such circumstances, additional legal notice need not be provided.

Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any City-sponsored proceedings, call 305.604.2489 and select 1 for English or 2 for Spanish, then option 6; TTY users may call via 711 (Florida Relay Service).

Rafael E. Granado, City Clerk
City of Miami Beach

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Condensed Title:

A Resolution Of The Mayor And City Commission Of The City Of Miami Beach, Florida, Accepting The Findings And Recommendation Of The City Manager In Declaring An Emergency Pursuant To Subsection 287.055(9)(C)(6)(A)(1), Florida Statutes, All As More Specifically Set Forth In This Resolution And The Accompanying Memorandum; And As Permitted Pursuant To Section 2-367(E) Of The City Code, Waiving, By 5/7 Vote Of The City Commission, The Competitive Bidding Requirement, Finding Such Waiver To Be In The City Best Interest; Further, Authorizing The City Manager To Take The Following Actions To Procure The Necessary Services Under The Change Order No. 8; Approving And Authorizing The Mayor And City Clerk To Execute Change Order No. 8, In The Amount Of \$2,688,006, To Design-Build Contract (DBV) With Bergeron Land Development, Inc., Dated April 30, 2014 (The Agreement), Related To The Completion Of Roadway Improvements Along West Avenue Between 6th And 8th Streets, And 10th, 14th, And 17th Streets, West Of Alton Road; Said Change Order No. 8, Providing For An Addition To The Scope Of Work To Include: Contaminated Soil Disposal, Street Lighting Adjustments, Roadway Adjustments, Additional Gravity Walls And Sidewalks, Drainage For Harmonization, Park Driveways, Landscaping, Re-Writing Lighting Specifications, Painting Of Fly-Over, And Associated Permitting.

Key Intended Outcome Supported:**Item Summary/Recommendation:**

At its March 14, 2007 meeting, the City Commission adopted the "Basis of Design Report" (BODR) for the West Avenue – Bay Road Neighborhood right of way improvement project. The BODR improvements included road reconstruction, sidewalks and bicycle circulation, installation of stormwater drainage systems, upgrade to the water distribution system, landscaping, street parking, and street calming features.

On February 12, 2014, the City Commission based upon the BODR, was awarded pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statute, an emergency procurement of a Design Build Contract (DBC) to Bergeron Land Development, Inc., which DBC was executed on dated April 30, 2014 (the Agreement) to construct stormwater drainage pump stations at 6th, 10th and 14th Streets. Thereafter, over the past two years, the City Commission approved seven (7) additional Change Orders to the DBC, in order to include improvements to the West Avenue Neighborhood at the following rights-of-way: West Avenue from 6th to 8th Streets; 14th, 10th and 6th Streets from Alton Road to the bay; 17th street from Alton Road to Collins Canal; West Avenue from Lincoln Road to Collins Canal; and the construction of a new pump station at the intersection of 17th Street and West Avenue.

Change Order No. 8 proposes to include the following additional scope of work:

- Removal and disposal of contaminated soil;
- Street lighting adjustments;
- Roadway elevation adjustments;
- Additional gravity walls and sidewalks;
- New drainage for harmonization;
- Landscaping maintenance plan, landscaping and sidewalks;
- Park driveways;
- Re-writing of City Ordinance and Specifications for Street Lighting;
- Permitting for Stantec (subcontractor engineering services); and
- Painting of the Alton Fly Over.

As part of the existing scope of work Bergeron has uncovered contaminated soils, the removal which exceeds the budget for this work on West Avenue due to DERM requiring a special method of disposal for the material, which is not within the scope of work already authorized under the prior Change Orders. Another portion of the work contemplated under Change Order No. 8, is to be provided to Stantec for their support to the work associated with the permitting and disposal of dewatering by other means than the sanitary sewer. At the request of the City Administration, Stantec and Bergeron have retained a special consultant shall provide direction relating to DERM's dewatering requirements, which consultant services were not considered in prior change orders, therefore, the costs associated with the retention of the consultant are included in this Change Order No. 8. An additional reason for Change Order No. 8, is due to the City's changing light standards, that the City Commission subsequently adopted after the prior change orders were issued, and the lighting change would be consistent with the City Commission direction. Finally, Change Order No. 8, would allow for harmonization that of the street elevations for access of adjacent owners of the right of way, which harmonization was not within the scope of prior change orders.

Change Order No. 8 is being requested to complete the current West Avenue Neighborhood Improvements and the cost is estimated at \$2,688,006; which includes a 10% owner's contingency in the amount of \$244,364. Based upon the foregoing, the City Manager declares an emergency pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statutes. The City Manager and the Administration, pursuant to section 2-367(e) of the City Code, seek the City Commission's waiver, by 5/7 vote, of competitive bidding requirement, as it is in the city best interest to waive the requirements due to the foregoing reasons.

THE ADMINISTRATION RECOMMENDS THAT THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA ACCEPT THE RECOMMENDATION AND FINDINGS OF THE CITY MANAGER IN DECLARING AN EMERGENCY PURSUANT TO SUBSECTION 287.055(9)(C)(6)(A)(1), FLORIDA STATUTES, AND AS PERMITTED PURSUANT TO SECTION 2-367(E) OF THE CITY CODE, WAIVING, BY 5/7 VOTE OF THE CITY COMMISSION, THE COMPETITIVE BIDDING REQUIREMENT, FINDING SUCH WAIVER TO BE IN THE CITY'S BEST INTEREST; FURTHER, AUTHORIZING THE CITY

MANAGER TO TAKE THE FOLLOWING ACTIONS TO PROCURE THE NECESSARY SERVICES UNDER THE CHANGE ORDER NO. 8.

Advisory Board Recommendation:

Financial Information:

Source of Funds:		Amount	Account	Approved
	1	\$806,402	Storm water line of credit	
	2	\$1,881,604	Neighborhoods Fund 384- Subject to Capital Budget Amendment	
OBPV	Total	\$2,688,006		

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Eric Carpenter, Public Works X6012

Sign-Offs:

Department Director	Assistant City Manager	City Manager
JJF	ETC	JLM

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: June 8, 2016

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE FINDINGS AND RECOMMENDATION OF THE CITY MANAGER IN DECLARING AN EMERGENCY PURSUANT TO SUBSECTION 287.055(9)(c)(6)(a)(1), FLORIDA STATUTES, ALL AS MORE SPECIFICALLY SET FORTH IN THIS RESOLUTION AND THE ACCOMPANYING MEMORANDUM; AND AS PERMITTED PURSUANT TO SECTION 2-367(e) OF THE CITY CODE, WAIVING, BY 5/7 VOTE OF THE CITY COMMISSION, THE COMPETITIVE BIDDING REQUIREMENT, FINDING SUCH WAIVER TO BE IN THE CITY BEST INTEREST; FURTHER, AUTHORIZING THE CITY MANAGER TO TAKE THE FOLLOWING ACTIONS TO PROCURE THE NECESSARY SERVICES UNDER THE CHANGE ORDER NO. 8; APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE CHANGE ORDER NO. 8, IN THE AMOUNT OF \$2,688,006, TO DESIGN-BUILD CONTRACT (DBC) WITH BERGERON LAND DEVELOPMENT, INC., DATED APRIL 30, 2014 (THE AGREEMENT), RELATED TO THE COMPLETION OF ROADWAY IMPROVEMENTS ALONG WEST AVENUE BETWEEN 6TH AND 8TH STREETS, AND 10TH, 14TH, AND 17TH STREETS, WEST OF ALTON ROAD; SAID CHANGE ORDER NO. 8, PROVIDING FOR AN ADDITION TO THE SCOPE OF WORK TO INCLUDE: CONTAMINATED SOIL DISPOSAL, STREET LIGHTING ADJUSTMENTS, ROADWAY ADJUSTMENTS, ADDITIONAL GRAVITY WALLS AND SIDEWALKS, DRAINAGE FOR HARMONIZATION, PARK DRIVEWAYS, LANDSCAPING, RE-WRITING LIGHTING SPECIFICATIONS, PAINTING OF FLY-OVER, AND ASSOCIATED PERMITTING.**

FUNDING

<u>Amount</u>	<u>Description</u>
\$806,402	Storm water line of credit
<u>\$1,881,604</u>	neighborhoods Fund 384- Subject to Capital Budget Amendment
<u>\$2,688,006</u>	

BACKGROUND

At its March 14, 2007 meeting, the City Commission adopted the “Basis of Design Report” (BODR) for the West Avenue – Bay Road Neighborhood right of way improvement project. The BODR improvements included road reconstruction, sidewalks and bicycle circulation, installation of stormwater drainage systems, upgrade to the water distribution system, landscaping, street parking, and street calming features.

On February 12, 2014, the City Commission based upon the BODR, was awarded pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statute, an emergency procurement of a Design Build Contract (DBC) to Bergeron Land Development, Inc., which DBC was executed on dated April 30, 2014 (the Agreement) to construct stormwater drainage pump stations at 6th, 10th and 14th Streets. Thereafter, over the past two years, the City Commission approved seven (7) additional Change Orders to the DBC, in order to include improvements to the West Avenue Neighborhood at the following rights-of-way: West Avenue from 6th to 8th Streets; 14th, 10th and 6th Streets from Alton Road to the bay; 17th street from Alton Road to Collins Canal; West Avenue from Lincoln Road to Collins Canal; and the construction of a new pump station at the intersection of 17th Street and West Avenue.

Change Order No. 8 proposes to include the following additional scope of work:

- Removal and disposal of contaminated soil;
- Street lighting adjustments;
- Roadway elevation adjustments;
- Additional gravity walls and sidewalks;
- New drainage for harmonization;
- Landscaping maintenance plan, landscaping and sidewalks;
- Park driveways;
- Re-writing of City Ordinance and Specifications for Street Lighting;
- Permitting for Stantec (subcontractor engineering services); and
- Painting of the Alton Fly Over.

As part of the existing scope of work Bergeron has uncovered contaminated soils, the removal which exceeds the budget for this work on West Avenue due to DERM requiring a special method of disposal for the material, which is not within the scope of work already authorized under the prior Change Orders. Another portion of the work contemplated under Change Order No. 8, is to be provided to Stantec for their support to the work associated with the permitting and disposal of dewatering by other means than the sanitary sewer. At the request of the City Administration, Stantec and Bergeron have retained a special consultant shall provide direction relating to DERM's dewatering requirements, which consultant services were not considered in prior change orders, therefore, the costs associated with the retention of the consultant are included in this Change Order No. 8. An additional reason for Change Order No. 8, is due to the City's changing light standards, that the City Commission subsequently adopted after the prior change orders were issued, and the lighting change would be consistent with the City Commission direction. Finally, Change Order No. 8, would allow for harmonization that of the street elevations for access of adjacent owners of the right of way, which harmonization was not within the scope of prior change orders.

Change Order No. 8 is being requested to complete the current West Avenue Neighborhood Improvements and the cost is estimated at \$2,688,006; which includes a 10% owner's contingency in the amount of \$244,364.

Based upon the foregoing, the City Manager declares an emergency pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statutes. The City Manager and the Administration, pursuant to section 2-367(e) of the City Code, seek the City Commission's waiver, by 5/7 vote, of competitive bidding requirement, as it is in the city best interest to waive the requirements due to the foregoing reasons.

CONCLUSION

The Administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida accept the recommendation and findings of the City Manager in declaring an emergency pursuant to Subsection 287.055(9)(c)(6)(a)(1), Florida Statutes, and as permitted pursuant to Section 2-367(e) of the City Code, waiving, by 5/7 vote of the City Commission, the competitive bidding requirement, finding such waiver to be in the City's best interest; further, authorizing the City Manager to take the following actions to procure the necessary services under the change order no. 8.

JLM / ETC / BAM / JF/EB

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE FINDINGS AND RECOMMENDATION OF THE CITY MANAGER IN CERTIFYING AN EMERGENCY PURSUANT TO SUBSECTION 287.055(9)(c)(6)(a)(1), FLORIDA STATUTES, ALL AS MORE SPECIFICALLY SET FORTH IN THIS RESOLUTION AND THE ACCOMPANYING MEMORANDUM; AND AS PERMITTED PURSUANT TO SECTION 2-367(e) OF THE CITY CODE, WAIVING, BY 5/7 VOTE OF THE CITY COMMISSION, THE COMPETITIVE BIDDING REQUIREMENT, FINDING SUCH WAIVER TO BE IN THE CITY'S BEST INTEREST; FURTHER, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE CHANGE ORDER NO. 8, IN THE AMOUNT OF \$2,688,006, TO DESIGN-BUILD CONTRACT (DBC) WITH BERGERON LAND DEVELOPMENT, INC., DATED APRIL 30, 2014 (THE AGREEMENT), RELATED TO THE COMPLETION OF ROADWAY IMPROVEMENTS ALONG WEST AVENUE, BETWEEN 6TH AND 8TH STREETS, AND 10TH, 14TH, AND 17TH STREETS, WEST OF ALTON ROAD; SAID CHANGE ORDER NO. 8, PROVIDING FOR AN ADDITION TO THE SCOPE OF WORK TO INCLUDE: CONTAMINATED SOIL DISPOSAL, STREET LIGHTING ADJUSTMENTS, ROADWAY ADJUSTMENTS, ADDITIONAL GRAVITY WALLS AND SIDEWALKS, DRAINAGE FOR HARMONIZATION, PARK DRIVEWAYS, LANDSCAPING, RE-WRITING LIGHTING SPECIFICATIONS, PAINTING OF FLY-OVER, AND ASSOCIATED PERMITTING.

WHEREAS, at its March 14, 2007 meeting, the City Commission adopted the "Basis of Design Report" (BODR) for the West Avenue – Bay Road Neighborhood Right-of-Way Improvement Project; and

WHEREAS, the BODR improvements included road reconstruction, sidewalks and bicycle circulation, installation of stormwater drainage systems, upgrade to the water distribution system, landscaping, street parking, and street calming features; and

WHEREAS, on February 12, 2014, the City Commission approved, pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statutes, an emergency procurement of a Design Build Contract (DBC) to Bergeron Land Development, Inc., which DBC was executed on dated April 30, 2014 (the Agreement) to construct stormwater drainage pump stations at 6th, 10th and 14th Streets; and

WHEREAS, thereafter, over the past two years, the City Commission approved seven (7) additional Change Orders to the DBC, in order to include improvements to the West Avenue Neighborhood at the following right-of-ways: West Avenue from 6th to 8th Streets; 14th, 10th and 6th Streets from Alton Road to the Bay; 17th Street from Alton Road to Collins Canal; West Avenue from Lincoln Road to Collins Canal; and the construction of a new pump station at the intersection of 17th Street and West Avenue; and

WHEREAS, Change Order No. 8 proposes to include the following additional scope of work:

- Removal and disposal of contaminated soil;
- Street lighting adjustments;
- Roadway elevation adjustments;
- Additional gravity walls and sidewalks;
- New drainage for harmonization;
- Landscaping maintenance plan, landscaping and sidewalks;
- Park driveways;
- Re-writing of City Ordinance and Specifications for Street Lighting;
- Permitting for Stantec (subcontractor engineering services); and
- Painting of the Alton Fly Over;

and

WHEREAS, as part of the existing scope of work Bergeron has uncovered contaminated soils, the removal which exceeds the budget for this work on West Avenue due to DERM requiring a special method of disposal for the material, which is not within the scope of work already authorized under the prior change orders; and

WHEREAS, another portion of the work contemplated under Change Order No. 8, is to be provided to Stantec for their support to the work associated with the permitting and disposal of dewatering by other means than the sanitary sewer; and

WHEREAS, at the request of the City Administration, Stantec and Bergeron have retained a special consultant to provide direction relating to DERM's dewatering requirements, which consultant services were not considered in prior change orders, therefore, the costs associated with the retention of the consultant are included in this Change Order No. 8; and

WHEREAS, an additional reason for Change Order No. 8, is due to the City's changing light standards, that the City Commission subsequently adopted after the prior change orders were issued, and the lighting change would be consistent with the City Commission's direction; and

WHEREAS, finally, Change Order No. 8, would allow for harmonization of the street elevations for access of adjacent owners of the right-of-ways, which harmonization was not within the scope of prior change orders; and

WHEREAS, Change Order No. 8 is being requested to complete the current West Avenue Neighborhood Improvements and the cost is estimated at \$2,688,006; which includes a 10% owner's contingency in the amount of \$244,364; and

WHEREAS, based upon the foregoing, the City Manager certifies an emergency pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statutes and

WHEREAS, the City Manager and the Administration, pursuant to Section 2-367(e) of the City Code, seek the City Commission's waiver, by 5/7 vote, of the competitive bidding requirement, as it is in the City's best interest to waive the requirements due to the foregoing reasons.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the findings and recommendation of the City Manager in certifying an emergency pursuant to subsection 287.055(9)(c)(6)(a)(1), Florida Statutes, all as more specifically set forth in this resolution and the accompanying memorandum; and as permitted pursuant to section 2-367(e) of the City Code, waiving, by 5/7 vote of the City Commission, the competitive bidding requirement, finding such waiver to be in the City's best interest; and approving and authorizing the Mayor and City Clerk to execute Change Order No. 8, in the amount of \$2,688,006, to Design-Build Contract (DBC) with Bergeron Land Development, Inc., dated April 30, 2014 (the Agreement), related to the completion of roadway improvements along West Avenue, between 6th and 8th Streets, and 10th, 14th, and 17th Streets, west of Alton Road; said Change Order No. 8, providing for an addition to the scope of work to include: contaminated soil disposal, street lighting adjustments, roadway adjustments, additional gravity walls and sidewalks, drainage for harmonization, park driveways, landscaping, re-writing lighting specifications, painting of fly-over, and associated permitting.

PASSED and ADOPTED this _____ **day of June, 2016.**

ATTEST:

Philip Levine, Mayor

Rafael E. Granado, City Clerk

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APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

[Signature] 6/6/16
City Attorney Date